

<b>SOLICITATION, OFFER AND AWARD</b>			1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING		PAGE OF PAGES		
2. CONTRACT NUMBER		3. SOLICITATION NUMBER		4. TYPE OF SOLICITATION SEALED BID (IFB) NEGOTIATED (RFP)		5. DATE ISSUED		6. REQUISITION/PURCHASE NO.	
7. ISSUED BY			CODE			8. ADDRESS OFFER TO (If other than Item 7)			
Office of Acquisition, TSA-25 Transportation Security Administration 601 South 12 <sup>th</sup> Street Arlington VA 22202						Same as Block 7			
NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder"									
<b>SOLICITATION</b>									
9. Sealed offers in original and 5 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if hand-carried to the Contracting Officer, located in <b>TSA HQ until 12:00 p.m. (EST)</b> local time. Electronic copy to be submitted to scott.bishop@dhs.gov									
CAUTION — LATE Submissions, Modifications, and Withdrawals: See Section L. All offers are subject to all terms and conditions contained in this solicitation.									
10. FOR INFORMATION CALL:		A. NAME SCOTT P. BISHOP		B. TELEPHONE (NO COLLECT CALLS) AREA CODE 571 NUMBER 227 EXT. 1883		C. E-MAIL ADDRESS SCOTT.BISHOP@DHS.GOV			
<b>11. TABLE OF CONTENTS</b>									
(✓)	SEC.	DESCRIPTION			PAGE(S)	(✓)	SEC.	DESCRIPTION	P
<b>PART I - THE SCHEDULE</b>					<b>PART II - CONTRACT CLAUSES</b>				
X	A	SOLICITATION/CONTRACT FORM				X	I	CONTRACT CLAUSES	
X	B	SUPPLIES OR SERVICES AND PRICE/COST				PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
X	C	DESCRIPTION/SPECS./WORK STATEMENT				X	J	LIST OF ATTACHMENTS	
X	D	PACKAGING AND MARKING				PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE				X	K	REPRESENTATIONS, CERTIFICATIONS	
X	F	DELIVERIES OR PERFORMANCE				AND OTHER STATEMENTS OF OFFERORS			
X	G	CONTRACT ADMINISTRATION DATA				X	L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
X	H	SPECIAL CONTRACT REQUIREMENTS				X	M	EVALUATION FACTORS FOR AWARD	
<b>OFFER (Must be fully completed by offeror)</b>									
NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.									
12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.									
13. DISCOUNT FOR PROMPT PAYMENT		10 CALENDAR DAYS		20 CALENDAR DAYS		30 CALENDAR DAYS		CALENDAR DAYS	
		%		%		%			
14. ACKNOWLEDGMENT OF AMENDMENTS		AMENDMENT NO.		DATE		AMENDMENT NO.		DATE	
(The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):									
15A. NAME		CODE		FACILITY		16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN			
AND						OFFER (Type or print)			
ADDRESS									
OF									
OFFEROR									
15B. TELEPHONE NUMBER			15C. CHECK IF REMITTANCE			17. SIGNATURE		18. OFFER DATE	
AREA CODE NUMBER EXT.			ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.						
<b>AWARD (To be completed by Government)</b>									
19. ACCEPTED AS TO ITEMS NUMBERED			20. AMOUNT			21. ACCOUNTING AND APPROPRIATION			
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: 10 U.S.C. 2304(c) ( ) 41 U.S.C. 253(c) ( )			23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified) BLOCK 25.			ITEM			
24. ADMINISTERED BY (If other than Item 7)			CODE			25. PAYMENT WILL BE MADE BY			
						United States Coast Guard Finance Center PO Box 4111 Chesapeake, VA 23326-4111			
26. NAME OF CONTRACTING OFFICER (Type or print)			27. UNITED STATES OF AMERICA			28. AWARD DATE			
IMPORTANT -- Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.									

**SECTION B: SUPPLIES OR SERVICES AND PRICES/COSTS****B.1. COST PLUS AWARD FEE**

**THE FOLLOWING CONTRACT LINE ITEM (CLIN) STRUCTURE WILL BE USED FOR CONTRACTS WITH CATEGORY X AND CATEGORY I AIRPORTS ONLY.**

**BASE PERIOD**

CLIN #	Description	Qty	Unit	Unit Price	Amounts
0001 CPAF	Airport Passenger and Baggage Screening Services and all related efforts inclusive of Pre-Transition & Transition Services in accordance with Section C.	1	Lot	Estimated Cost  Base Fee ( __%)*  Award Fee ( __%)  Total CPAF	\$ _____ \$ _____ \$ _____ \$ _____
0002 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions</i> ).	1	Each	\$1	\$10,000,000 Not-to-Exceed (NTE)
0003	Data deliverables for Items 0001 & 0002 ( <i>if exercised</i> ) in accordance with Section C.11.				Not Separately Priced (NSP)
TOTAL BASE YEAR VALUE:					\$ _____

**OPTION PERIOD ONE (if exercised)**

OPTION CLIN #	Description	Qty	Unit	Unit Price	Amounts
0004 CPAF	Airport Passenger and Baggage Screening Services and all related efforts in accordance with Section C.	1	Lot	Estimated Cost  Base Fee ( __%)*  Award Fee ( __%)  Total CPAF	\$ _____ \$ _____ \$ _____ \$ _____
0005 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions.</i> )	1	Each	\$1	\$10,000,000 Not-to-Exceed (NTE)
0006	Data deliverables for Items 0004 & 0005 ( <i>if exercised</i> ) in accordance with Section C.11.				NSP
TOTAL OPTION YEAR ONE VALUE:					\$ _____

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**OPTION PERIOD TWO (if exercised)**

OPTION CLIN #	Description	Qty	Unit	Unit Price	Amounts
0007 CPAF	Airport Passenger and Baggage Screening Services and all related efforts in accordance with Section C.	1	Lot	Estimated Cost  Base Fee ( __%)*  Award Fee ( __%)  Total CPAF	\$ _____ \$ _____ \$ _____ \$ _____
0008 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions.</i> )	1	Each	\$1	\$10,000,000 Not-to-Exceed (NTE)
0009	Data deliverables for Items 0007 & 0008 ( <i>if exercised</i> ) in accordance with Section C.11.				NSP
TOTAL OPTION YEAR TWO VALUE:					\$ _____

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**OPTION PERIOD THREE (if exercised)**

OPTION CLIN #	Description	Qty	Unit	Unit Price	Amounts
0010 CPAF	Airport Passenger and Baggage Screening Services and all related efforts in accordance with Section C.	1	Lot	Estimated Cost  Base Fee ( __%)*  Award Fee ( __%)  Total CPAF	\$ _____ \$ _____ \$ _____ \$ _____
0011 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions.</i> )	1	Each	\$1	\$10,000,000 Not-to-Exceed (NTE)
0012	Data deliverables for Items 0010 & 0011 ( <i>if exercised</i> ) in accordance with Section C.11.				NSP
TOTAL OPTION YEAR THREE VALUE:					\$ _____

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**OPTION PERIOD FOUR (if exercised)**

OPTION CLIN #	Description	Qty	Unit	Unit Price	Amounts
0013 CPAF	Airport Passenger and Baggage Screening Services and all related efforts in accordance with Section C.	1	Lot	Estimated Cost  Base Fee ( __%)*  Award Fee ( __%)  Total CPAF	\$ _____ \$ _____ \$ _____ \$ _____
0014 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions.</i> )	1	Each	\$1	\$10,000,000 Not-to-Exceed (NTE)
0015	Data deliverables for Items 0013 & 0014 ( <i>if exercised in accordance with Section C.11.</i> )				NSP
TOTAL OPTION YEAR FOUR VALUE:					\$ _____

TOTAL CONTRACT VALUE (inclusive of base year and all options periods)	\$ _____
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**\*NOTE TO OFFERORS:**

*The offeror shall fill in all dollars, rates, and hours as required in the chart above. Additionally, the proposed Base Fee shall be  $\leq 2\%$ .*

**B.2. FIXED PRICE AWARD FEE**

**THE FOLLOWING CONTRACT LINE ITEM (CLIN) STRUCTURE WILL BE USED FOR CONTRACTS WITH CATEGORY II, III, AND IV AIRPORTS ONLY.**

**BASE PERIOD**

CLIN #	Description	Qty	Unit	Unit Price	Amounts
0001 FPAF	Airport Passenger and Baggage Screening Services and all related efforts inclusive of Pre-Transition & Transition Services in accordance with Section C.	1	Lot	Fixed Price  Base Fee ( __%)*  Award Fee ( __%)  Total FPAF	\$ _____ \$ _____ \$ _____ \$ _____
0002 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions</i> ).	1	Each	\$1	CAT II: \$2,500,000  CAT III: \$1,000,000  CAT IV: \$250,000  Not-to-Exceed (NTE)
0003	Data deliverables for Items 0001 & 0002 ( <i>if exercised</i> ) in accordance with Section C.11.				Not Separately Priced (NSP)
TOTAL BASE YEAR VALUE:					\$ _____

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**OPTION PERIOD ONE (if exercised)**

OPTION CLIN #	Description	Qty	Unit	Unit Price	Amounts
0004 FPAF	Airport Passenger and Baggage Screening Services and all related efforts in accordance with Section C.	1	Lot	Fixed Price  Base Fee ( __%)*  Award Fee ( __%)  Total FPAF	\$ _____ \$ _____ \$ _____ \$ _____
0005 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions.</i> )	1	Each	\$1	CAT II: \$2,500,000  CAT III: \$1,000,000  CAT IV: \$250,000  Not-to-Exceed (NTE)
0006	Data deliverables for Items 0004 & 0005 ( <i>if exercised</i> ) in accordance with Section C.11.				NSP
TOTAL OPTION YEAR ONE VALUE:					\$ _____

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**OPTION PERIOD TWO (if exercised)**

OPTION CLIN #	Description	Qty	Unit	Unit Price	Amounts
0007 FPAF	Airport Passenger and Baggage Screening Services and all related efforts in accordance with Section C.	1	Lot	Fixed Price  Base Fee ( __%)*  Award Fee ( __%)  Total FPAF	\$ _____ \$ _____ \$ _____ \$ _____
0008 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions.</i> )	1	Each	\$1	CAT II: \$2,500,000  CAT III: \$1,000,000  CAT IV: \$250,000  Not-to-Exceed (NTE)
0009	Data deliverables for Items 0007 & 0008 ( <i>if exercised</i> ) in accordance with Section C.11.				NSP
TOTAL OPTION YEAR TWO VALUE:					\$ _____

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**OPTION PERIOD THREE (if exercised)**

OPTION CLIN #	Description	Qty	Unit	Unit Price	Amounts
0010 FPAF	Airport Passenger and Baggage Screening Services and all related efforts in accordance with Section C.	1	Lot	Fixed Price  Base Fee ( __%)*  Award Fee ( __%)  Total FPAF	\$ _____ \$ _____ \$ _____ \$ _____
0011 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions.</i> )	1	Each	\$1	CAT II: \$2,500,000  CAT III: \$1,000,000  CAT IV: \$250,000  Not-to-Exceed (NTE)
0012	Data deliverables for Items 0010 & 0011 ( <i>if exercised</i> ) in accordance with Section C.11.				NSP
TOTAL OPTION YEAR THREE VALUE:					\$ _____

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**OPTION PERIOD FOUR (if exercised)**

OPTION CLIN #	Description	Qty	Unit	Unit Price	Amounts
0013 FPAF	Airport Passenger and Baggage Screening Services and all related efforts in accordance with Section C.	1	Lot	Fixed Price  Base Fee ( __%)*  Award Fee ( __%)  Total FPAF	\$ _____ \$ _____ \$ _____ \$ _____
0014 OPTION	Innovative Tasks and Technical Solutions for Airport Screening Services ( <i>Time &amp; Materials Task. Services authorized only if Task Order issued. See Section C.7 of the SOW for description of work and Sections H.2 and H.3 for ordering instructions.</i> )	1	Each	\$1	CAT II: \$2,500,000  CAT III: \$1,000,000  CAT IV: \$250,000  Not-to-Exceed (NTE)
0015	Data deliverables for Items 0013 & 0014 ( <i>if exercised</i> ) in accordance with Section C.11.				NSP
TOTAL OPTION YEAR FOUR VALUE:					\$ _____

TOTAL CONTRACT VALUE (inclusive of base year and all options periods)	\$ _____
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**\*NOTE TO OFFERORS:**

*The offeror shall fill in all dollars, rates, and hours as required in the chart above. Additionally, the proposed Base Fee shall be ≤ 3%.*

### B.3 ALLOTMENT OF FUNDS

The amounts presently available and allotted to this contract for payment are shown in the following charts and are broken out by Contract Line Item Number (CLIN). The contractor agrees to segregate, track, and bill all costs in the same manner as obligated.

For all cost reimbursement CLINs, the Contractor agrees to comply with the “Limitation of Funds” clause (I.17) for all incrementally funded CLINs, and the “Limitation of Cost” clause (I.16) for all fully funded CLINs.

#### **COST PLUS AWARD FEE: FOR CONTRACTS WITH CATEGORY X AND CATEGORY I AIRPORTS ONLY.**

	Section B Contract Value	Amount Previously Funded	Increase In Funding	Total Amount Funded	Estimated Expenditure Period for Funding
CLIN 0001: Base Period					
Estimated Cost					
Base Fee					
Award Fee					
<b>Total CPAF</b>					
CLIN 0002: Option (if exercised)					
T&M Cost (NTE)					
Item 0004: Option Period One (if exercised)					
Estimated Cost					
Base Fee					
Award Fee					
<b>Total CPAF</b>					
Item 0005: Option (if exercised)					
T&M Cost (NTE)					
Item 0007: Option Period Two (if exercised)					
Estimated Cost					
Base Fee					
Award Fee					
<b>Total CPAF</b>					

Item 0008: Option (if exercised)					
T&M Cost (NTE)					
Item 0010: Option Period Three (if exercised)					
Estimated Cost					
Base Fee					
Award Fee					
<b>Total CPAF</b>					
Item 0011: Option (if exercised)					
T&M Cost (NTE)					
Item 0013: Option Period Four (if exercised)					
Estimated Cost					
Base Fee					
Award Fee					
<b>Total CPAF</b>					
Item 0014: Option (if exercised)					
T&M Cost (NTE)					
<b>TOTAL ALL CPAF CLINs</b>					
<b>TOTAL ALL T&amp;M CLINs</b>					

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**FIXED PRICE AWARD FEE: FOR CONTRACTS WITH CATEGORY II, III,  
AND IV AIRPORTS ONLY.**

	<b>Section B Contract Value</b>	<b>Amount Previously Funded</b>	<b>Increase In Funding</b>	<b>Total Amount Funded</b>	<b>Estimated Expenditure Period for Funding</b>
CLIN 0001: Base Period					
Fixed Price					
Base Fee					
Award Fee					
<b>Total FPAF</b>					
CLIN 0002: Option (if exercised)					
T&M Cost (NTE)					
Item 0004: Option Period One (if exercised)					
Fixed Price					
Base Fee					
Award Fee					
<b>Total FPAF</b>					
Item 0005: Option (if exercised)					
T&M Cost (NTE)					
Item 0007: Option Period Two (if exercised)					
Fixed Price					
Base Fee					
Award Fee					
<b>Total FPAF</b>					
Item 0008: Option (if exercised)					
T&M Cost (NTE)					
Item 0010: Option Period Three (if exercised)					
Fixed Price					
Base Fee					
Award Fee					
<b>Total FPAF</b>					

Item 0011: Option (if exercised)					
T&M Cost (NTE)					
Item 0013: Option Period Four (if exercised)					
Fixed Price					
Base Fee					
Award Fee					
<b>Total FPAF</b>					
Item 0014: Option (if exercised)					
T&M Cost (NTE)					
<b>TOTAL ALL FPAF CLINs</b>					
<b>TOTAL ALL T&amp;M CLINs</b>					

Shown below is a summary of all lines of accounting (issued to date by CLIN) for the above allotted amounts.

<b>Funding Document</b>	<b>CLIN</b>	<b>PR #</b>	<b>Line of Accounting</b>	<b>Amount</b>
Basic Award	0001			

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## B.4 AWARD FEE

### B.4a AWARD FEE PERIODS

The Award Fee Periods will be established on a semi-annual basis starting as shown in paragraph B.4b below. Award fee cannot be invoiced until it is earned. The award fee evaluation plan and the metrics by which the contractor will be rated are shown in Section C.

### B.4b AWARD FEE POOLS AND AWARD FEES EARNED

OPTION CLIN	Period	Award Fee Period	Pool \$	Earned \$	% Earned	Mod #	Mod Date
0001	Base						
				Earned To Date			

OPTION CLIN*	Period	Award Fee Period	Pool \$	Earned \$	% Earned	Mod #	Mod Date
0004	1						
				Earned To Date			

OPTION CLIN*	Period	Award Fee Period	Pool \$	Earned \$	% Earned	Mod #	Mod Date
0007	2						
			Total Pool	Earned To Date			

OPTION CLIN*	Period	Award Fee Period	Pool \$	Earned \$	% Earned	Mod #	Mod Date
0010	3						
			Total Pool	Earned To Date			

OPTION CLIN*	Period	Award Fee Period	Pool \$	Earned \$	% Earned	Mod #	Mod Date
0013	4						
			Total Pool	Earned To Date			

*(Award fee not earned in any period will not be rolled over to subsequent periods.)*

***\* If exercised***



#### **B.4c AWARD FEE PROTEST**

The award of an award fee under this contract shall not be subject to the protest and disputes clauses of this agreement unless the decision violates the Administrative Procedures Act (APA 5 U.S.C. §701, *et seq.*)

#### **B.5 COMPENSATION AND OTHER BENEFITS**

Pursuant to Section 108 of the Aviation and Transportation Security Act (ATSA) (Public Law 107-71), codified at 49 U.S.C. §44920(c) (opt-out program), qualified screening companies will provide compensation and other benefits to contract screeners "...that are not less than the level of compensation and other benefits provided to such Federal Government personnel...". TSA must verify that each screening company is in compliance with this statute. In order to perform this verification, the contractor shall include this information in their initial proposal for the basic award, and then quarterly thereafter (See C.11 Reporting, Table 2, # A021).

TSA has interpreted the statute to require contract-screening companies to provide pay and benefits at a loaded cost (direct hour plus percentage cost of fringe benefits) that equals or exceeds the loaded cost of the pay and benefits provided by the Federal Government. This approach: (1) provides the contractor with flexibility to trade additional pay against other benefits, or to enhance certain benefits and reduce others; (2) enables the contractor to determine and provide the best package necessary for the recruitment and retention of quality screeners; and (3) increases flexibility while permitting recruitment and retention of quality screeners. Therefore, the contractors must propose at least the minimum loaded rate.

The contractor's certification (See C.11 Reporting, Table 2, #A021) must include: (1) a break out of direct labor rates (unloaded) for each category of screener; (2) a fringe rate inclusive of all its components; and (3) a loaded rate that consists of the direct labor rate and the fringe rate. The contractor's rates will be compared to the loaded cost of the pay and benefits that would be provided by the Federal Government in the relevant area as provided in the following charts. The rates as shown on line 5 have been established as the **Minimum Loaded Rate**. Labor and fringe rates shall not include unallocable, unreasonable or unallowable costs, such as non-productive time.

The following information represents the Components of TSA's Fringe Rate.

<b>ATSA Loaded Wage Minimum Requirements</b>	<b>Screener</b>	<b>Lead Screener</b>	<b>Supervisor Screener</b>
<b>1. TSA Minimum Direct Labor Rate</b>	\$11.31	\$14.90	\$17.44
<b>2. TSA's Locality Pay *</b>	12.52%	12.52%	12.52%
<b>3. TSA's Min. DL Rate w/Locality Pay</b>	\$12.73	\$16.77	\$19.62
<b>4. TSA's Fringe Rate</b>	44.75%	44.75%	44.75%
<b>5. Minimum Loaded Rate for TSA</b>	\$18.42	\$24.27	\$28.40

\* Rates for locality pay areas by geographic region are available at:

<http://www.opm.gov/oca/06tables/indexGS.asp>.

*(The above data includes the annual rate increase for Federal Employees received in January 2006.)*

The screeners receive night/shift premium of 10% for any hours worked between 6 pm and 6 am. The screeners receive Sunday premium of 25% for any hours worked on Sundays. If the employee works after 6pm or before 6 am on a Sunday, the person receives both premiums (10% night and 25% Sunday).

Screeners also receive double pay for holidays worked. Full-time employees receive holiday pay even if they do not work on the holiday itself. Part-time employees must work on the holiday to receive any premium.

The average loaded rates in the rate tables do not include holiday and premium (Sunday, night-shift) pay.

#### TSA's Fringe Rate Components

- 1 Retirement - complete share of weighted CSRS/FERS (Civil Service Retirement System/Federal Employee Retirement System) cost plus retiree health, social security and Thrift Savings Plan (TSP)
- 2 Insurance and Health
- 3 Medicare
- 4 Miscellaneous Fringe (inclusive of Workman Compensation, Bonuses, Unemployment, etc.)
- 5 Other (Holidays, Leave, Vacation)

(End of Clause)

[END OF SECTION]

## **SECTION C: DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK**

### **Section C Index:**

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C.10.5	PROCEDURES FOR VOLUNTARY ABANDONED PROPERTY (VAP) ( <i>AIRPORT SPECIFIC</i> )
C.10.6	REPORTING

## **C.1 DESCRIPTION/SPECIFICATION/WORK STATEMENT**

### **C.1.1 Introduction**

The mission of the Screening Partnership Program (SPP) is to partner with the private sector to bring best practices and innovation into the management of security screening operations to ensure safe, courteous, and efficient passenger and baggage screening. Transportation Security Administration (TSA) does not use the terms “partner” and “partnership” as legal terms but only to describe an open, collaborative working relationship. Nothing in the contract or Statement of Work shall be construed as a joint partnership or joint venture between the Government and the Contractor. The TSA/Contractor partnership will reflect the attributes of an open, collaborative, and

customer-oriented professional relationship. However, the Contractor remains responsible for providing security screening services that meet the requirements of the TSA.

The TSA has established the following strategic objectives to guide SPP, hereafter referred to as “the Program”.

- 1 **Maintain security:** Contract and Federal screeners must perform equally well to ensure airport security and compliance with Federal passenger and baggage screening Standard Operating Procedures (SOPs).
- 2 **Provide world-class customer service:** While security is always TSA’s most important objective, ensuring a courteous, professional, and efficient process for passengers and other members of the aviation community is a critical part of the Program’s mission.
- 3 **Implement cost efficiencies:** TSA expects Federal Security Director (FSD) staffs and Contractors in the Program to identify and implement improved processes that result in cost efficiencies.
- 4 **Respect the screening workforce:** TSA believes that both Federal and contract screeners are valuable national assets and individuals who deserve effective support and respect, appropriate compensation, recognition for their work, and opportunities to excel. TSA will ensure that private screeners are held to the same certification requirements as Federal screeners. TSA will also work with Program participants to ensure that the skills and experience of existing Federal screeners are recognized in a meaningful way, and that their needs and preferences are addressed to the greatest possible extent.
- 5 **Create a partnership that leverages strengths of the private and public sectors:** TSA seeks to incorporate the innovation and efficiency that the private sector may provide with the existing Federal performance standards. TSA believes that the Program can only achieve its objectives if private screening contractors and TSA work in close partnership, leveraging innovations and efficiencies of the private sector.

### C.1.2 Scope

The TSA security screening services Scope of Work outlines the Contractor’s role in meeting the requirements of the Aviation and Transportation Security Act (ATSA), 49 U.S.C. Section 44920. Since November 19, 2004, airport operators have been allowed to apply to TSA to have screening functions performed by qualified private screening contractors through the Screening Partnership Program (SPP). The SPP will leverage the knowledge, flexibility, and experience that private sector screening contractors possess and utilize this expertise through all areas of contract execution. The SPP is optimistic its operations will result in improved service delivery and cost savings, while maintaining TSA’s high standards for security.

The Contractor is expected to provide security screening services, recruitment, credentialing, training, and assessments equal to or greater than the level provided by

Federal Government personnel. This will be accomplished by collaborating closely with the SPP Program Management Office (PMO) office and the airport Federal Security Director (FSD) and meeting critical performance metrics set forth in contract documents. However, SPP will not only ensure compliance, it will also provide incentives that will drive innovation and reward exceptional performance. The Contractor will continuously be encouraged to better manage and improve operations. It is anticipated that operations resulting in improved service delivery and effective Contractor financial management will ultimately translate into cost savings for the Government and monetary rewards for the Contractor.

The SPP will integrate best practices and lessons learned from federal screening operations and previous contracts to continuously seize improvement opportunities.

The scope is designed to accommodate changes in TSA's SOP for security screening based on:

- 1 The evolution of threats,
- 2 The availability of new security screening technologies, and
- 3 Fluctuations in airport operations that might mandate different staffing models.

Moreover, the scope seeks to meet the needs of our stakeholders as they contribute to TSA's mission of protecting the Nation's transportation systems to ensure freedom of movement for people and commerce.

### **C.1.3 Program Background and Objectives**

The SPP will satisfy the following requirements:

- 1 Comply with ATSA;
- 2 Ensure air travel security and freedom of movement for people and commerce;
- 3 Provide commercial airport operators with a structured, well defined process for applying to TSA to implement private screening contractors;
- 4 Establish an open, collaborative working relationship;
- 5 Enable TSA to efficiently identify and acquire the services of qualified private screening companies to provide airport security screening services;
- 6 Provide significant opportunity for innovation, efficiency and cost savings to the taxpayer;
- 7 Allow for decentralized management;
- 8 Integrate best practices and lessons learned from federal screening operations and continue to evaluate and learn;

- 9 Offer performance-based incentives to private screening contractors;
- 10 Allow open airport participation;
- 11 Respect federal and private sector workforces;
- 12 Evaluate and compare the performance of federal screeners and private screening contractors; and
- 13 Develop and implement a program that is capable of leveraging the innovation, flexibility and efficiency of the private sector while retaining the appropriate level of Federal Government oversight.

#### **C.1.4 Partnering Philosophy**

TSA intends to structure the contract in a manner that ensures that the Contractor's goals and objectives are in alignment with those of the TSA. Superior performance on the Contractor's part will directly and indirectly link to superior TSA mission accomplishment through the economic and efficient use of security screening services. In addition to meeting program objectives, the Contractor is encouraged to:

- 1 Consistently take steps to understand TSA's crucial business issues and opportunities;
- 2 Ensure its products and services deliver tangible and meaningful business benefits;
- 3 Work collaboratively with other Contractors, Government agencies, and business partners to ensure project success;
- 4 Resolve the complexities and difficulties that are characteristic when dealing with numerous stakeholders; and
- 5 Periodically measure and forecast capacity and systems growth.

Under a performance-based contract structure, metrics and award fee criteria will be used extensively to monitor the performance of this contract. TSA and the Contractor(s) will baseline and monitor progress using agreed-to Staffing/Management/Resources and service level agreements consistent with the Statement of Work.

#### **C.1.5 Performance Based Acquisition Objectives**

The Government is using a performance-based acquisition approach in order to quickly, efficiently, effectively, and economically provide and maintain security screening services. The objectives of using this approach are to:

- 1 Receive highly reliable and secure managed services and support that meet or exceed customer requirements and expectations;

- 2 Establish a partner-focused working relationship with TSA and its Federal Security Directors and staff responsible for the oversight of security screening services at the airports;
- 3 Continuously seek ways to provide security screening services to improve TSA's mission performance, while maintaining TSA's high standards for security and customer satisfaction;
- 4 Demonstrate improved performance, reliability, security, and reduced cost of the delivered service;
- 5 Establish a flexible contracting vehicle;
- 6 Maintain the highest level of service and cost effectiveness;
- 7 Provide audit and demonstrate that TSA is receiving superior service at a fair and reasonable price;
- 8 Provide an effective and efficient management information system that provides insightful, accurate and timely information on program status and performance reporting;
- 9 Develop, implement, and maintain appropriate security, quality control, and reporting requirements; and
- 10 Effectively use subcontract and teaming arrangements, including use of small businesses, small disadvantaged businesses, 8(a) program participants, women-owned, veteran-owned, HUB zone and service-disabled veteran owned small businesses.

### **C.1.6 Applicable and Referenced Information**

The following regulations, policies, and procedures are applicable to the security screening operation at the airport, and are identified in Table 1 below. The documents listed in the table below are located on the TSA WebBoard at <https://webboards.tsa.dot.gov>. The listed documents below are current as of the published date of this SOW:

**Table 1: Applicable and Referenced Information**

<b>Title/Description</b>	<b>Document ID/Version</b>	<b>Relevant Section</b>
Aviation and Transportation Security Act (ATSA)	P.L.107-71, 115 Stat_597 (Nov 19, 2001)	N/A
28 Disqualifying Offenses	49 U.S.C. 44936(b)(1)(B)	J.2
Passenger Standard Operating Procedures	Revision 5, Change 4, December 7, 2005	C.3.2.1; C.3.2.2



(SOP)		
Checked Baggage Standard Operating Procedures (SOP)	Revision 2, Change 7, December 29, 2005	C.3.2.1; C.3.2.2
Performance Measurement Information System (PMIS) Field Mobile User Guide	Version 2.6, November 18, 2005	C.3.1.2; C.3.4.1; C.8.1.8
Performance Measurement Information System (PMIS) Web User Guide and SOP	Version 2.6, November 18, 2005	C.3.1.2; C.3.4.1; C.8.1.8
Sensitive Security Information Regulation (SSI)	49 CFR Part 15 Regulations (TSA General IT Security Clauses for Contracts)	C.3.3.1; C.3.4.1; J.8
Master Transition Toolkit Checklist	???????	C.2.3
Security Incident Reporting Requirements Directive via TSOC	OD 400-18.2A Revised: 08/26/05	C.3.4.1
Security Incident Reporting Requirements Directive via PARIS	OD-400-18-1 Revised: 12/16/05	C.3.4.1
Interim Policy on Employee Responsibilities and Conduct	HRM 735-1 January 9, 2003	???
Interim Guidance on Personal Property Accountability, Management and Control	PMO-4000-1  PMB 04-07 New Update: PMO 4000-1 Table 1, Change 2, Accountable Property Categories (updates change 1)	???
Prohibition Against the Storage of Uniforms and Identification Media in Vehicles	OD-400-25-1 March 2, 2005	C.10.5; J.6
Reporting Lost, Damaged and Destroyed TSA Personal Property	PMB 03-02 October 24, 2003	C.10 ; J.10
Accountability, Management and Control of TSA Property in the Hands of a Contractor	MD 200.55 September 13, 2005	C.10; J.11
Uniformed Employees Appearance and Responsibilities	MD 1100.73-2 October 27, 2005	J.6

## **C.2 TRANSITION SERVICES**

### **C.2.1 Pre-Transition and Transition Project Plan**

The Contractor shall develop and implement a project plan for the Pre-Transition and Transition phases of the contract for review and approval by TSA. The project plan may require updates to the sequence of events for the Pre-Transition and Transition phases, the processes and methodologies for meeting milestones for workforce transition and assumption of administrative and financial responsibilities. The Contractor shall develop and implement all necessary tasks in the Work Breakdown Structure (WBS) Level 4 and develop and implement the necessary resources for each task.

### **C.2.2 Pre-Transition Phase**

TSA's goal is to transition Federal security screening operations to private contract security screening operations as efficiently and expeditiously as possible, while maintaining security, minimizing any impact on customer service, and providing a considerate and well-managed transition for the affected workforce. The Pre-Transition phase commences at contract award.

The Pre-Transition phase entails the preparatory activities required to assume passenger and baggage screening responsibilities, and it shall end when the FSD and COTR approve the Contractor's operations as ready to begin screening at both passenger and baggage screening areas. During the Pre-Transition phase, the Contractor shall recruit its workforce, and, for those employees who are not current TSA screeners, the Contractor must assess, credential and classroom train its workforce. The Contractor shall provide "priority for employment" status to the Federal screeners currently employed at the particular airport. In order to validate the Contractor's "priority for employment" approach, the Contractor shall submit, no later than 10 days prior to the end of the Pre-Transition phase, a report that details the following:

- 1 A list of affected Federal screeners interviewed and hired;
- 2 A list of affected Federal screeners interviewed, but not hired and a justification for not hiring; and
- 3 A list of affected Federal screeners not interviewed and a justification for not interviewing.

During the Pre-Transition phase, the Contractor will not be responsible for staffing any passenger or baggage areas nor will the Contractor be allowed to complete on-the-job training (OJT) requirements. OJT requirements, for employees not hired directly from TSA, shall be completed during the Transition phase.

### **C.2.3 Transition Phase**

The Transition Phase commences when the FSD and the COTR approve the Contractor to provide screening services. During the Transition phase, the Contractor transitions its employees into the airport screening operations. The phase ends when the Contractor is awarded Full Operational Capability (FOC). All requirements of the Pre-Transition and

Transition phases, as listed in the Master Transition Toolkit Checklist (MTTC) shall be completed prior to FOC. The MTTC is cited in C.1.6 Applicable and Referenced Information and is available on the TSA WebBoard <https://webboards.tsa.dot.gov/portal/>

Within the Transition Phase, TSA expects a transition such that an airport is transitioned by groupings of passenger and/or baggage screening areas. The FSD is responsible for maintaining passenger and baggage screening security at the airport during the transition, but the Contractor is expected to propose and execute a feasible transition scheme.

During the Transition Phase, the Contractor shall be required to demonstrate compliance with the Transition Plan developed for that airport. The FSD will provide oversight of Contractor screener performance during the transition period to ensure security is maintained at the passenger and baggage screening areas.

### **C.3 SECURITY SCREENING MANAGEMENT**

#### **C.3.1 Business Management**

The Contractor shall deploy a business management process to manage the total work effort associated with the security screening services required in this Statement of Work. It is expected that the process deployed by the Contractor shall meet the Government's performance objectives of financial management, workforce management, equipment maintenance and materials management, reporting, responsiveness and professionalism.

In presenting its business management approach, the Contractor shall demonstrate the necessary performance, risk avoidance and financial management expertise to achieve the objectives in Section C.1.5 Performance Based Acquisitions Objectives. The Contractor shall deploy a process that will meet all performance measures and report their outcomes (see Section C.8 Performance Requirements – Quality Assurance and Surveillance Plan (QASP)). The Contractor shall ensure that the responsive relationship is developed with the TSA Federal Security Director (FSD). The Contractor shall also comply with TSA requirements for safety, health, and security (see J.12 Safety and Health – TSA Contracts and J.8 Security Requirements). Finally, the Contractor shall ensure that highest standards of conduct and customer service are maintained.

The Contractor shall administer the total work effort associated with providing security screening services subject to FSD oversight and operational control for security screening. Included in this function will be a full range of duties including, but not limited to, planning, supervision, staffing, scheduling, reporting, establishing and maintaining records, customer service, and quality control.

##### **C.3.1.1 Project Management**

The Contractor shall develop a Program Management Plan that shall explain the processes and procedures the Contractor proposes to follow to manage the total work effort associated with the contract. The plan at a minimum shall include:

- 1 The Contractor's financial management processes and procedures including cost control, reporting, purchasing and invoice processing;

- 2 The Contractor's issue escalation and risk mitigation process and procedures and designated points of contact;
- 3 The Contractor's communications processes and procedures for sharing information with the FSD and Contracting Officer's Technical Representative (COTR) and transferring knowledge to the workforce;
- 4 The Contractor's proposed meeting plan and schedule for monthly and quarterly reviews; and
- 5 The Contractor's process and schedule for completing the following:
  - Financial, Performance and Labor Report
  - PMIS Reporting
  - Contractor Self-Assessment
  - FSD Reports
  - Monthly Staffing Details Report
  - Subcontractor Report
  - Quarterly Claims Status Report
  - Maintenance Reporting

The Contractor shall present the plan for review and approval by the FSD and COTR and shall implement this plan during the Transition Phase. The Contractor shall implement any additional management plans or deliverables required by the Statement of Work, FSD, Contracting Officer (CO) or COTR. The Contractor shall designate a single program point of contact (POC) for the work effort outlined in the SOW.

### **C.3.2 Security Effectiveness**

The security screening services to be provided, at a minimum, shall prevent the introduction of prohibited articles into the sterile areas of each airport through the application of X-ray imaging technologies, explosive detection systems (EDS), explosive trace detection systems (ETD), walk-through metal detection systems (WTMD), hand-held metal detectors (HHMD), physical search and other detection innovations. The Contractor shall also be responsible for meeting the complex scheduling requirements typical of today's airport environment. The Contractor shall implement all applicable Standard Operating Procedures (SOPs), TSA directives, policies, and updates as directed by the FSD.

The FSD is responsible for oversight of passenger and baggage screening security at the airport. As such, the FSD shall oversee the operation of security screening passenger and the baggage screening process. The Contractor shall be required to respond to security related direction from the FSD and FSD staff.

The Contractor shall provide passenger screening, checkpoint screening, and checked baggage screening in accordance with the airport specific staffing levels provided in the RFP and the SOP for TSA Screeners. The Contractor shall be responsible for meeting the

changes/fluctuations typical of today's airline industry.

The COTR will maintain a current copy of all relevant SOPs and provide a copy to the Contractor Program Manager. The COTR will provide the Contractor with revisions to the SOP as soon as they are made available and will coordinate implementation of those changes with the FSD and the Contractor Program Manager.

The Contractor shall provide a detailed review of the relevant SOPs as part of each employee's initial training, and each time an SOP is modified. No employee shall be assigned to duty unless he/she is thoroughly knowledgeable of and understands the SOP. Only the contracting officer can direct changes to the contract.

### **C.3.3 Workforce Management**

Supervision: The Contractor shall provide on-site passenger, baggage and checkpoint screening supervision of all employees at all times that a security screening location is staffed. The supervisors must ensure that security screening checkpoints are staffed according to the requirements set forth in the Federal Passenger and Baggage Screening Standard Operating Procedures (SOPs) (available on the TSA WebBoard at <https://webboards.tsa.dot.gov>) and, as appropriate, to maintain constant vigilance; that employees are properly uniformed and meet uniform standards; minimize passenger wait times while maintaining appropriate levels of security; and that each employee is familiar with their security screening locations and duties as required by the SOPs.

Baggage and checkpoint supervisory personnel in charge of security screening services under this SOW must be available at all times to receive and implement orders or special instructions from the FSD (and staff), or COTR concerning matters which affect the operation, protection and/or security of assigned areas. The Contractor shall be required to assure continuous supervisory observation and evaluation of all security screening personnel and take appropriate corrective measures for all infractions noted in the course of performing assigned security screening duties.

Staffing: The Contractor shall provide appropriate staff of personnel with the necessary expertise to ensure the performance of the work in accordance with sound and efficient management practices and at levels specified in the SOW. The Contractor shall respond quickly to resolve staffing inequities, particularly where such inequities are identified by the FSD. The FSD staff may periodically be required to take unilateral action with Contractor supervision and personnel to ensure staffing deficiencies do not create a security weakness.

Scheduling: The Contractor shall be responsible at a minimum for scheduling security screeners and shall work closely with the FSD to satisfy all operational requirements in accordance with the Passenger and Checked Baggage SOPs and as identified in the SOW. TSA must approve any Contractor proposed scheduling system/tool prior to deployment.

In support of the staffing and scheduling requirement the Contractor shall provide a software tool that provides the following minimal functional requirements:

- a) Optimization of screeners to work demand

- b) Optimization of start and stop times for each screener
- c) Assignment of screeners to specific shifts and locations
- d) Provides a data interface with the Screener Allocation Model (SAM)

The SABRE software tool is available as Government Furnished Information (GFI).

Training: The Contractor shall update employee qualifications and training records from the data contained in the TSA On-Line Learning Center (OLC) and from other online training programs provided to screeners by TSA, the Contractor, or other outside vendors; and track required training, completed training, and compliance with all screener certification and currency requirements.

### **C.3.4 Sensitive Security Information (SSI)**

The Contractor shall provide the CO with a Sensitive Security Information (SSI) Management plan for the use and inventory of SSI. The plan shall comply with all the requirements in 49 CFR 1520.1 and shall include the processes and procedures for the following:

- 1 Identification of individuals with access to SSI
- 2 Process for managing and tracking SSI in the Contractors possession
- 3 Process for reporting violations of SSI requirements
- 4 Process for disposal of SSI

### **C.3.5 Staffing**

#### **C.3.5.1 Staffing Schedule Report (*AIRPORT SPECIFIC*)**

The Contractor shall provide a daily report that reconciles the number of employees scheduled and the actual number of employees on hand with TSA staffing requirements. The report will detail “by hour” and “by zone” the passenger screening checkpoint and baggage screening area, to include a detail of overtime used, as well as call-offs and scheduled and unscheduled absences.

#### **C.3.5.2 Monthly Staffing Details Report**

The Contractor shall submit the Monthly Staffing Details Report (C.11 Reporting, Table 2, #A015), including but not limited to the following:

- 1 Active Employee Staffing Roster, including fields for: first name, last name, middle initial, suffix, airport code, Contractor company name, position title;
- 2 Separated Employee Staffing Roster, including fields for: first name, last name, middle initial, suffix, and airport code;

- 3 Head count and Full Time Equivalent (FTE) count broken down by position; and
- 4 Injury Details Report, including Occupational Safety and Health Administration (OSHA) recordable injury cases, Workers' Compensation insurance premiums, and OSHA Monthly Frequency Rate.

The report shall be submitted electronically in a format available on TSA WebBoard at <https://webboards.tsa.dot.gov>. The Monthly Staffing Details Report will be reviewed by the COTR and forwarded onto the SPP PMO which will distribute appropriate information to TSA's Office of Transportation Vetting and Credentialing (OTVC), TSA's Office of Operational Process and Performance Metrics, and TSA's Office of Occupational Safety, Health, & Environment.

### **C.3.5.3 Security Incidents (*AIRPORT SPECIFIC*)**

The Contractor shall, upon identification of a security incident, make immediate verbal notification to one of the following TSA FSD staff members based on the type of incident:

<b>Incident Type</b>	<b>Contact</b>
Screening Related	Screening Manager
Regulatory Related	Duty Officers (Aviation Security Inspectors/ (ASIs)
Law Enforcement Related	Assistant Federal Security Director (AFSD) Law Enforcement

Other incidents involving contractor workforce that may result in media attention or incidents identified by the FSD, must be immediately reported to the AFSD Screening or Deputy AFSD Screening.

## **C.4 ON-BOARDING OF NEW HIRES**

### **C.4.1 Screening Contractor Hiring Plan**

The Contractor shall update and implement a Hiring Plan for review and consideration by TSA as described in Section J.4 SPP Hiring Plan Template. The Hiring Plan should incorporate the staffing needs for Transition and FOC screening operations. The Hiring Plan/Schedule may need to be revised due to any unforeseen changes in the airport's hiring and staffing needs. Therefore, this section shall be updated in coordination with the FSD and COTR as soon as any such changes become necessary.

The Contractor shall initiate the implementation of this plan during the Pre-Transition Phase. This plan and all updates shall be coordinated and approved by the FSD and COTR prior to implementation.

### **C.4.2 On-Boarding of New Hires Overview**

The TSA screener workforce is unique in both the public and private sectors in that many of the job requirements are statutory requirements in the Aviation and Transportation Security Act (ATSA). These requirements are summarized in Section J.1. The standards associated with these requirements, as well as additional job-related requirements established by TSA, consistent with the ATSA mandate to establish screener qualifications, are provided in Section J.1. In addition, there are stringent background requirements for screeners, and those are listed in Section J.2. The scope of the Contractor's responsibilities includes:

- 1 Recruiting
- 2 Assessment
- 3 Credentialing

While non-screening contractor personnel assigned to work under this contract are not required to fulfill the same Assessment and Training requirements that screeners are required to complete, those non-screening contractor personnel who have access to TSA information and/or facilities shall be successfully credentialed (See Clause H.11 for a description of personnel required to be credentialed).

After successfully completing all aspects of screener assessment, an applicant for a screener position becomes eligible for an initial offer of employment. Continued employment is contingent upon the candidate's successful completion of the required New Hire Basic Training (classroom), the required On-The-Job Training (OJT) and receipt of a passing score on the initial TSA Screener Certification Tests (written test and Image Mastery Test). In addition, the screener must successfully pass the post-hire Office of Personnel Management (OPM) background check (which is normally completed within 4 to 6 months) in order to maintain on-going screener status. After being hired, screeners must also successfully re-certify in accordance with the requirements for annual proficiency review in ATSA.

Figure 2 summarizes the On-Boarding and Initial Training activities and responsibilities.

#### **C.4.3 Screener Recruiting**

The Contractor shall recruit qualified, professional, and diverse screener applicants to perform the duties specified under this contract. The Contractor shall ensure the applicants meet the basic requirements for employment, including U.S. citizenship and specific education and work experience. More information on what the Contractor's proposed recruitment process shall entail is included in Section J.4, SPP Hiring Plan Template.

#### **C.4.4 Assessment for New Screener Hires**

The Contractor shall ensure that all persons designated to be deployed as screeners meet all statutory requirements, TSA specified requirements, and suitability standards for



employment. Those current Federal screeners at an airport that have been chosen to become contract screeners and transition to the contract screener workforce will not be required to repeat the assessment procedure for new screener applicants.

The Contractor shall assess new screener candidates by implementing assessment procedures in accordance with the requirements identified in Sections J.1, J.2, and J.3. The Contractor shall conduct a “Screening Personnel Selection Examination” which is provided by TSA, via the Internet, to cover English Proficiency and Image Interpretation Skills. Procedures for scheduling, administering, and evaluating the test; and reporting the test results are outlined in Section J.1. The Contractor shall establish a means to evaluate the required basic aptitude and physical abilities of screener candidates as described in Section J.1.1.

All applicants will be required to pass all specified tests, interviews, and other evaluations given during the assessment process demonstrating that they have the necessary skills and abilities for security screener job performance.

#### **C.4.5 Credentialing**

Those current federal screeners at an airport that have chosen to become contract screeners and transition to the contractor screener workforce at that airport will not be required to repeat the credentialing procedures described in this section.

Section J.2 and Clause H.8 describe TSA suitability and financial requirements and processes for credentialing Contractor screener and non-screener employees. Individuals not meeting these requirements shall not be eligible to work under this contract.

### **C.5 SCREENER TRAINING**

#### **C.5.1 Training Plan**

The Contractor shall update and implement a Training Plan that will articulate how the Contractor intends to meet TSA training requirements for screeners. The Contractor will initiate the implementation of this plan during the Pre-Transition Phase. For more information on TSA’s training requirements for screeners, please refer to Section J.5 Training Courses and Requirements.

#### **C.5.2 Screener Training Overview**

TSA has designed, developed, and deployed national screener technical training to the screener workforce including screeners, lead screeners, and supervisory screeners. All required screener technical training curriculum will be provided by TSA as GFI. Enhancements and modifications will continue to be made to this curriculum to ensure compliance with the Federal Passenger and Baggage Standard Operating Procedures

(SOP) and to further improve screener performance. The Contractor shall be obligated to revise its training to reflect these enhancements and modifications to the TSA training curriculum.

The Contractor shall conduct major training activities outlined in the table below.

### **MAJOR TRAINING ACTIVITIES**

<b>Curriculum Development</b>	
<b>Basic Training - New Hire and Cross-Training Curriculum</b>	TSA designs and provides standard Dual Functioning Screener (DFS) curriculum as Government Furnished Information (GFI). Contractor is required to notify TSA training coordinator to schedule new hire training.
<b>Recurrent Curriculum</b> (Quarterly Average of Three Hours per Screener per Week)	All required screener training curriculum will be provided by TSA. Supplemental training may be proposed. All costs should be proposed consistent with the Contractor's accounting practices.
<b>Miscellaneous Security Training Curriculum</b>	TSA will provide as GFI. Contractor may supplement as desired and appropriate with TSA approval. TSA periodically identifies other security-related training that all screeners must complete (e.g., Security Sensitive Information Awareness, Threat Identification).

<b>Delivery</b>	
<b>Recurrent Training Delivery</b>	TSA will provide as GFI videos and Web-based training that are supplemented by local curriculum and delivered as desired to meet the minimum requirement of three hours of training per screener, per week, averaged over a calendar quarter.
<b>Miscellaneous Security Training Delivery</b>	TSA may identify other security-related training that all screeners must complete (e.g., SSI Awareness, Threat Identification); TSA will provide such training products to the Screening Contractor, who must ensure its timely completion.
<b>On the Job Training (OJT) Delivery</b>	TSA will provide guidance and checklists as GFI.
<b>Initial Certification Test Delivery</b>	TSA will be responsible for the administration of all tests to include scoring. TSA may authorize the use of TSA approved instructors to proctor and administer tests as required with oversight by the TSA Training Coordinator. All test results will be provided to the Training Coordinator as GFI for verification and reporting.

<b>Ongoing Technical Training</b>	
<b>TSA establishes recurrent technical training requirements and provides tools to test screener performance.</b>	
<b>TIP</b>	Threat Image Projection (TIP) is Government furnished computer software that allows fictional images of threats to be digitally

	displayed in the image of actual passengers' bags or projects entirely fictitious bags with a threat object onto the x-ray monitor.
<b>Remedial Training</b>	TSA requires that a screener receive a minimum of three hours of remediation for failing a covert test. Screening Contractor provides targeted remediation that meets TSA's standard of a minimum of three hours of remediation.
<b>Annual Re-certification</b>	The Contractor shall administer Module 1&2 of the screener recertification testing. TSA will continue to administer Mod 3 of the recertification tests to contract screeners and will provide all testing equipment and material for all recertification Mods.

<b>Professional Development</b>	
<b>Professional Development and Other General Training</b>	<p>TSA will not provide general training (i.e., leadership or other training intended to support career development) or assume responsibility for the professional development of the Contractor's screener workforce.</p> <p>The Contractor is responsible for designing, developing, and implementing training for its screeners and supervisors (in areas other than technical screening performance requirements).</p>

<b>Records Management</b>
Official screener training records shall be kept in the TSA Online Learning Center (OLC). The Contractor will have selective access to the TSA OLC and will be responsible for establishing and maintaining training records in the TSA OLC for contractor employees. (This includes test performance). The Contractor is responsible for assuring the accuracy of such data with oversight from the FSD.

## **Training Method**

The Screening Contractor shall participate in the TSA-Approved Instructors (TAI) program (See J.5) and provide instructors that TSA has approved as competent to deliver screener training. The FSD initiates request for training material using the Training Support Request form and submits nominations for qualified TAIs into the TSA TAI program.

Contractor instructors under the SPP must meet the following criteria:

- 1) Comply with TSA Instructor standards.
- 2) Complete the TSA-offered Train-the-Trainer course.
- 3) Complete the TSA New Hire Passenger and New Hire Baggage courses (or be previously certified as a "Dual Function Screener" Instructor at an airport).
- 4) Pass all course tests (Screening Overview, Checkpoint, and Checked Baggage) with the minimum required score defined in the TSA "Administration Guide for

Job Knowledge Tests,” Version 5, July 27, 2005.

- 5) Deliver one course in the curriculum to be certified as an instructor under the supervision of a currently qualified instructor.
- 6) Complete training on Explosive Detection System/Explosive Trace Detection (EDS/ETD) machine-specific modules that the candidate will teach as described in the “Administration Guide for Practical Skills conducted during Checkpoint, Checked Baggage or Dual Functioning Screener Training, Version 2, May 2007, 2004.

Additionally, to maintain certification on a particular course or machine, an instructor is required to:

- 1) Teach course(s) at least once every six months.
- 2) Pass the Practical Skills Demonstration (PSD) on an annual basis.
- 3) Maintain satisfactory quality assurance evaluations.

### **C.5.3 Initial Training**

The Contractor’s passenger and baggage screeners that successfully complete the selection process; must also successfully complete classroom training, on-the-job training (OJT), and testing leading to certification. The hours required vary by course but will not be less than 40 hours of classroom training or less than 60 hours of OJT, in accordance with current TSA standards. The Contractor will administer the testing for initial screener training prior to a screener’s deployment. No screener shall be deployed at the airport prior to successfully completing the initial screener training and testing required by TSA.

### **C.5.4 Recurrent Training**

In accordance with TSA’s screener technical training requirements, the Contractor shall conduct recurrent (skills refresher) screener training to ensure compliance with security screening SOPs and achievement of acceptable levels of customer satisfaction. All required screener training curriculum will be provided by TSA as GFI. For Contractor training options refer to Section J.5. Recurrent training may be supplemented by the Contractor with TSA approval. The Contractor shall ensure that each screener obtain a quarterly average of three hours of training per week.

### **C.5.5 Remedial Training**

The Contractor shall provide remedial training for screeners who fail a covert test conducted by TSA's Office of Internal Affairs and Program Review. TSA requires security-screening personnel, who fail a covert test, to receive a minimum of three (3) hours of remedial training before the screener may return to the specific function on which he/she failed the test.

The Contractor shall also provide remedial training for screeners who fail a Screener Training and Exercises Assessment (STEa) for simulated threat items conducted by TSA airport staff. Screeners who fail a STEa must receive a minimum of three (3) hours of remedial training or an amount as determined by the FSD before the screener may return to the specific function on which he/she failed the STEa.

The Contractor shall provide remedial training for screener personnel observed by a TSA Staff member, to be noncompliant with a procedure or procedures defined within the TSA Checked Baggage or Passenger Checkpoint Standard Operating Procedures (SOP) or agreed to by the Contractor and TSA FSD. The curriculum for the remedial training, based on the degree of infraction, will be determined based on agreement between the Contractor and TSA Staff.

For failed covert tests, STEa, and noncompliant security screener procedures, the Contractor shall provide the remedial training within 72 hours from the time the screener failed the test. TSA will provide the Contractor remedial training materials. The screener may not perform any function where they failed until successful completion of remedial training.

#### **C.5.6 Screener Recertification**

TSA is required by the ATSA to conduct an Annual Proficiency Review (APR), or Recertification, of all Screeners. The specific requirements are:

*“The Under Secretary shall provide that an annual evaluation of each individual who is assigned screening duties is conducted and documented. An individual employed as a security Screener may not continue to be employed in that capacity unless the evaluation demonstrates that the individual:*

- A. Continues to meet all qualifications and standards required to perform a screening function;*
- B. Has a satisfactory record of performance and attention to duty based on the standards and requirements in the security program; and*
- C. Demonstrates the current knowledge and skills necessary to courteously, vigilantly, and effectively perform screening functions.”*

Contractor requirements are described in Section J.5.

### **C.6 FINANCIAL MANAGEMENT**

#### **C.6.1 Financial Management and Reporting Requirements**

The Contractor shall have documented policies and procedures in place to track cost associated with the performance of security screening services and any other allowable expenditures.

The Contractor shall provide financial reports based on the type of contract. The

Contractor shall keep at minimum electronic copies of all financial reports submitted, which shall be available for inspection by the Government at all times. These reports shall not be altered following original submission to the COTR and CO without the permission of the CO.

The Contractor shall submit the following financial management reports in accordance with instructions found on the SPP Web Board:

- 1 Financial Baseline Report (A012): Annually (CPAF Type Contracts)
- 2 Financial Management Report (A013): Monthly (CPAF Type Contracts)
- 3 Performance Report (A014): Monthly (CPAF/FPAF Type Contract)

## **C.7 INNOVATION AND TECHNICAL CAPABILITY**

*(TO BE EXECUTED AT THE OPTION OF THE GOVERNMENT THROUGH A TASK ORDER)*

*(Applies to CLINs 0002, 0005, 0008, 0011, and 0014 only)*

The Government intends to leverage the full capabilities of the Contractor by promoting the identification innovative and technical solutions for security screening services. In support of screening services, upon contract award, the Contractor may recommend implementation of innovative and technical solutions that add to airport security screening effectiveness. TSA approved innovative and technical solutions may be implemented on a Time and Materials basis or another contract type based upon the specifics of the concept(s) proposed via Option CLINs 0002, 0005, 0008, 0011, and 0014. These CLINs have a Not-to-Exceed (NTE) price as defined in Section B of the RFP.

Pursuant to the Changes Clause, the Government may provide the Contractor with an innovative and technical solution to implement.

### **C.7.1 Guidance for Submitting a Proposal for a Technology Solution Pilot Program**

The Contractor may submit or the Government may request, a proposal for a technology solution that may significantly improve security effectiveness, cost efficiency, or customer satisfaction. The technical solution proposal shall be submitted through the FSD to the SPP PMO for submission to the TSA Office of the Chief Technical Officer for evaluation. Technical solutions must address the most current or future technologies that may enhance, replace, or augment current screening equipment, software and/or support other screening requirements.

Technical solutions proposed for consideration as a pilot initiative should be submitted in the following format:

- 1 One to two page executive overview
- 2 An introduction to the problem (backed by quantifiable evidence if available)
- 3 Proposed Solutions
  - o Description of products and/or services
  - o Resources required to implement
- 4 Recommended timelines
- 5 Potential barriers to implementation
- 6 Impacts to security effectiveness
- 7 Cost/benefit analysis to include projected return on investment (ROI)
- 8 Cost Proposal

If approved by the Office of the Chief Technical Officer, the contract pilot option will be exercised and an implementation plan will be developed and costs negotiated based on the scope of the pilot initiative. (Costs are not to exceed the amount specified in Section B for CLINs 0002, 0005, 0008, 0011, 0014)

Contractors and FSDs are reminded that if Proposals for Technology Solutions relate to security flaws or failures, they may constitute Sensitive Security Information and should be labeled and handled as SSI.

## **C.8 PERFORMANCE MANAGEMENT QUALITY ASSURANCE SURVEILLANCE PLAN (QASP) AND PERFORMANCE EVALUATION PLAN (PEP)**

### **C.8.1 Introduction**

Section C.8 includes two main parts: the Quality Assurance Surveillance Plan (QASP), and the Performance Evaluation Plan (PEP). These Plans provide the Government with disciplined methods to administer Performance Based Service Contract (PBSC) standards for private screening services Contractors at Screening Partnership Program airports.

The QASP will be used to ensure the Contractor meets ATSA requirements, is compliant with contract requirements, and meets TSA performance standards.

The PEP motivates the Contractor's performance in achieving the objectives of the contracted effort and discharging all contractual obligations. Performance evaluations focus on the areas under the Contractor's control, which can be evaluated qualitatively and quantitatively. In order to reward the Contractor for outstanding performance, direct the Contractor's attention to an area of Government interest, and motivate the Contractor towards improved performance, the Contractor's efforts will be evaluated and a fee will be awarded in accordance with the terms and criteria set forth by this plan. There will be

two periods of evaluation to be conducted semiannually.

### C.8.2 Breakdown of QASP and PEP Quality Standards

The Table below provides an overview of all quality standards and how they are distributed through the QASP and the PEP. As noted, some quality standards are used in both the QASP and the PEP. These Quality Standards will be further elaborated upon in Section c.8.3.

Quality Standard	QASP Measure	Award Fee Measure
<b>Maintenance</b>	<b>X</b>	<b>X</b>
<b>Reporting</b>	<b>X</b>	<b>X</b>
<b>FSD Evaluation</b>	<b>X</b>	<b>X</b>
<b>Demonstrated Compliance with Pre-Transition /Transition Plan*</b>	<b>X</b>	
<b>Assessment</b>	<b>X</b>	<b>X</b>
<b>Credentialing</b>	<b>X</b>	<b>X</b>
<b>New Hire Training</b>	<b>X</b>	<b>X</b>
<b>Recurrent Training</b>	<b>X</b>	<b>X</b>
<b>Remedial Training</b>	<b>X</b>	<b>X</b>
<b>Passenger Screening TIP Detection Rate</b>	<b>X</b>	<b>X</b>
<b>Passenger Screening TIP False Alarm Rate</b>	<b>X</b>	<b>X</b>
<b>Screener Recertification Pass Rates</b>	<b>X</b>	<b>X</b>
<b>Innovation/Technology</b>		<b>X</b>
<b>Customer Satisfaction</b>	<b>X</b>	<b>X</b>
<b>Actual Cost versus Budget</b>		<b>X</b>

Quality standards are measured by the FSD via the FSD evaluation in the Performance Evaluation Plan.

\* Eliminated after FOC.



### **C.8.3 Quality Assurance and Surveillance Plan (QASP)**

#### **C.8.3.1 Methods Of Quality Assurance And Surveillance**

Section 108 of ATSA states that a contractor provides screening services at an airport if “the Administrator determines and certifies to Congress that the level of screening services and protection provided at the airport under the contract will be equal to or greater than the level that would be provided at the airport by Federal Government personnel.” To measure compliance with this mandate the following quality assurance surveillance techniques shall be used:

**Monthly Periodic Reviews (Performance Management Reviews)** – Performance Management Reviews (PMRs) will be conducted on a monthly basis (but the frequency also may be designated by the FSD). The Contractor shall be responsible for submitting an agenda for review 2 days prior to the scheduled meeting. The Contractor shall collect and prepare minutes of the meeting and submit to the COTR no later than 3 business days after the meeting.

The three objectives of the Performance Management Reviews are to:

- Monitor the Contractor’s performance to ensure compliance with the Acceptable Quality Levels set forth in this document;
- Ensure an open communication channel between the FSD, SPP PMO, Contractor, and airport; and
- Identify and resolve potential issues that may impact the level of performance in the services required (e.g. risk management).

**Contractor Performance Measures** - Measures developed by the SPP PMO to determine ATSA compliance (e.g., TIP Detection Rate, Recertification Pass Rates). These performance measures will be evaluated on a specified basis, through the FSD, to ensure ATSA compliance.

**Monitoring** - Random and scheduled monitoring will be conducted to:

- Ensure compliance with contract requirements;
- Make certain that data provided to support the performance measures specified in the Contract are collected appropriately; and
- Observe screening operations to evaluate airport specific techniques, tools, and challenges.

**Third Party Audits** – Third Party Audits may be conducted to ensure:

- Compliance with accounting/financial standards (e.g. DCAA, SM&A); and
- Claims made by the Government or Contractor are substantiated

**Airport Customer Satisfaction Surveys** - The FSD is responsible for arranging for the conduct of an airport customer satisfaction survey on an annual basis. The survey should use the survey form provided as a reference on the WebBoard (<https://webboards.tsa.dot.gov>) and is described in more detail in Quality Standard Item

#13. The FSD should forward the results of the survey to the SPP PMO.

In conducting random monitoring, the FSDs need to ensure that sample sizes used result in statistically sound data as illustrated in the table below for customer surveys.

Enplanements	Customer Satisfaction Survey Sample Size
2-8	2
9-15	3
16-25	5
26-50	8
51-90	13
91-150	20
151-280	32
281-500	50
501-1,200	80
1,201-3,200	125
3,201-10,000	200
10,001-35,000	315
35,001-150,000	500
150,001-500,000	800
500,001 and Over	1250

### C.8.3.2 QASP Quality Standards

The following table illustrates a detailed approach to monitor the performance of each Quality Standard. The table is provided to illustrate TSA's management practices with regards to Quality Standards. Several of the line references are located on the SPP WebBoard.

Acceptable Quality Level (AQL)	Description of Requirement	Formula for Determining Compliance	Government's Role	Applicable Section
<b>#1 – Maintenance</b>	95% of equipment, property, and material inspected are well-kept and recorded on a Maintenance Log	Percentage of audited records and inspected equipment, property, and materials that are well-kept, operational, and recorded on the maintenance log	Audit of Contractor Maintenance Reports and inspection of equipment. Audit and inspection schedule to be determined by FSD/COTR.	C.9 Maintenance and Use of Property, Equipment and Materials

Acceptable Quality Level (AQL)	Description of Requirement	Formula for Determining Compliance	Government's Role	Applicable Section
<b>#2 – Reporting</b>	95% of reports submitted on time	Percentage of deliverables and reports submitted on-time	Monitoring of Reports. submitted to the FSD/COTR.	C.11 Reports and Deliverables
<b>#3 – FSD Evaluation</b>	Score of 50 or above as determined by the FSD	Score based on FSD Evaluation Scorecard	FSD determines based on Performance Management Reviews (PMR)	NA
<b>#4 – Pre-Transition /Transition Plan</b>	100% compliance with Pre-Transition /Transition Plan	Percentage of tasks completed by FOC	FSD /COTR determines prior to awarding FOC	C.2 Transition Services
<b>#5 - Assessment</b>	100% of persons designated to be deployed as screeners (hired) meet TSA requirements for employment	Percent of employed screeners meeting TSA requirements	FSD/COTR	C.4.4 Assessment for New Screener Hires
<b>#6 – Credentialing</b>	100% of screeners meet TSA specified requirements for employment	Percentage of screeners appropriately credentialed	FSD/COTR	C.4.5 Credentialing
<b>#7 – New Hire Training</b>	100% of new-hire screeners receive the required training before assuming screening responsibilities	Percentage of new hires appropriately trained	FSD/COTR/ Training Coordinator /FSD Designee	C.5.3 Initial Training
<b>#8 – Recurrent Training</b>	100% of screeners must meet the minimum	Percentage of screeners appropriately	FSD /COTR /Training Coordinator	C.5.4 Recurrent Training

Acceptable Quality Level (AQL)	Description of Requirement	Formula for Determining Compliance	Government's Role	Applicable Section
	requirement of three hours of training per week, averaged over a calendar quarter	trained	/FSD Designee	
<b>#9 – Remedial Training</b>	100% of screeners receive a minimum of three hours of remediation, provided by the Contractor for failing a covert test, STEA or an infraction witnessed by the FSD staff	Percentage of screeners appropriately trained after being assigned remedial training	FSD /COTR /Training Coordinator /FSD Designee	C.5.5 Remedial Training
<b>#10 – Security Effectiveness (TIP Detection Rate)</b>	Meets Airport Threat Image Projection (TIP) detection rate baseline of TBA%, TIP system projects prohibited items in bags through the x-ray machine	Number of successfully detected items / Number of items introduced during test	FSD monitors PMIS data and reports from Contractor	NA
<b>#11 – Security Effectiveness (Passenger Screening TIP False Alarm Rate)</b>	The TIP False Alarm Rate is not to exceed 10%. TIP false alarm is a measure of the rate of recognition of objects incorrectly detected during TIP testing. The maximum TIP False Alarm Rate is based on analysis of typical historical TIP False Alarm	Number of non-TIP alarms /(number of bags screened minus number of TIPS presented).	FSD monitors PMIS data and reports from Contractor	NA

Acceptable Quality Level (AQL)	Description of Requirement	Formula for Determining Compliance	Government's Role	Applicable Section
	data.			
<b>#12 – Screener Recertification Pass Rate (First Attempt)</b>	Meets specific Airport recertification pass rate baseline of TBA% The Pass Rate measures performance on recertification tests (1 <sup>st</sup> attempt), which assess screeners' ability to perform the SOPs	(Screeners passing all of their Module 1 exams + screeners passing all of their Module 2 exams + screeners passing all of their Module 3 exams) / (screeners taking Module 1 exam + screeners taking Module 2 exam + screeners taking Module 3 exam). Only first attempts at exams are counted.	FSD /FSD Designee	NA
<b>#13 – Customer Satisfaction</b>	Meets customer satisfaction survey baseline of TBA%.	The Government conducts a Customer Satisfaction Survey. The survey can be found on the WebBoard. Only the questions on the survey that pertain to Contractor performance are measured. (Survey	FSD /FSD Designee to conduct survey	NA

Acceptable Quality Level (AQL)	Description of Requirement	Formula for Determining Compliance	Government's Role	Applicable Section
		Questions 1-5 on the WebBoard)		

### **C.8.3.3 Contractor Improvement Report and Action Plan**

Contractor compliance with ATSA standards, contract requirements, and AQLs will be monitored throughout the period of performance. If a Contractor is not in compliance with ATSA, the contract or AQLs set forth in Section 8.3.2, "Quality Standards", a Contractor Improvement Report may be completed and the Contractor may be required to implement a Corrective Action Plan. An example of a Contractor Improvement Report is provided on the TSA WebBoard at <https://webboards.tsa.dot.gov>.

The Contractor may be required to submit an action plan to address compliance issues identified by the FSD or SPP Program Management Office in the report. After approval by the FSD, the Contractor is to implement the plan under close supervision from the Airport COTR. Upon reaching a level of performance that meets ATSA, the contract requirements or AQLs set forth in the contract, the Contractor is to submit a letter of compliance that will be reviewed by the FSD.

**IF THE CONTRACTOR CONTINUES TO NOT MEET ATSA, CONTRACT REQUIREMENTS OR ACCEPTABLE QUALITY LEVELS SET FORTH IN THE CONTRACT, THE TSA ADMINISTRATOR MAY CHOOSE TO TERMINATE THE CONTRACT OR ELECT NOT TO EXERCISE CONTRACT OPTIONS.**

Contractors and FSDs are reminded that if Corrective Action Plans relate to security flaws or failures, they may constitute Sensitive Security Information and should be labeled and handled as SSI.

#### **C.8.4 Performance Evaluation Plan**

The Government's purpose in granting an Award Fee is to motivate the Contractor's performance in achieving the objectives of the contracted effort and discharging all contractual obligations. Performance evaluations focus on the areas under the Contractor's control, which can be evaluated qualitatively and quantitatively. In order to reward the Contractor for superior performance, direct the Contractor's attention to an area of Government interest, or motivate the Contractor towards improved performance, the Contractor's performance will be evaluated and a fee will be awarded in accordance with the terms and criteria set forth by this plan. There will be two periods of evaluation to be conducted semiannually. The Government shall, at the conclusion of each specified evaluation period(s), evaluate the contractor's performance for a determination of award fee earned.

The contractor agrees that the determination as to the amount of the award fee earned will be made by the Government Fee Determination Official (FDO) and such determination is binding on both parties and shall not be subject to appeal under the "Disputes" clause or to any board or court. The FDO for this contract shall be the Branch Chief for SPP. The FDO shall be assisted in fee determination by the FSD and COTR.

It is agreed that the Contractor may submit a self-assessment of performance of each period under consideration. While it is recognized that the basis for the determination of the fee shall be the evaluation by the Government, any self-evaluation which is received within fifteen (15) business days after the end of the period being evaluated may be given such consideration, if any, as the FDO shall find appropriate.

It is agreed that the evaluation of contractor performance shall be in accordance with the Performance Evaluation Plan and that the Contractor shall be promptly advised in writing of the determination and reasons why the award fee was or was not earned.

The award fee determination is based on evaluating performance measures in the areas listed below.

##### **Performance Measures:**

1. FSD Evaluation
2. Maintenance
3. TIP Detection Rate
4. Recertification Pass Rate (first attempt)
5. Innovation/Technology
6. Reporting
7. TIP False Alarm Rate
8. Actual Cost versus Budget

The FSD Evaluation is a subjective evaluation as defined in Section C.8.4.3, FSD Evaluation Reference. The Innovation scoring criteria are defined in Section C.8.4.4,

## Guidance for Submitting Innovative Ideas.

### C.8.4.1 Fee Determination Official (FDO)

The FDO for this contract shall be the Branch Chief for SPP.

### C.8.4.2 Award Fee Tables and Instructions

The Award Fee Templates, detailed Award Fee Worksheet Instructions, and supporting fee calculation tables are provided on the TSA WebBoard at <https://webboards.tsa.dot.gov>.

### C.8.4.3 FSD Evaluation Reference

The FSD evaluation is to be completed by airport FSDs after the period of performance. **The points available for individual airports are specified by the FSD.** Using the Elements Defined in this section as a guide, FSDs will complete the table below after each evaluation period (or more frequently if needed to draw attention to Contractor performance). The available points for each required service are determined by the FSD prior to each evaluation period and provided to the SPP PMO and Contractor for review. FSDs have the flexibility to allocate the points available for the four categories in the table based on the specific needs of their airport.

**FSD Evaluation Scorecard**

Category	Elements	Points Available	Points Received
<b>Business Management</b>	<ul style="list-style-type: none"><li>•1 Financial Management</li><li>•2 Workforce Management</li><li>•3 Maintenance</li><li>•4 Reporting</li><li>•5 Responsiveness</li><li>•6 (Screener) Standards</li></ul>	<b>30 or TBA</b>	<i>Assigned by local FSD at the end of each evaluation period</i>
<b>On-Boarding</b>	<ul style="list-style-type: none"><li>•1 Recruiting</li><li>•2 Assessment</li><li>•3 Credentialing</li></ul>	<b>10 or TBA</b>	<i>Assigned by local FSD at the end of each evaluation period</i>
<b>Training</b>	<ul style="list-style-type: none"><li>•4 Initial</li><li>•5 Recurrent</li><li>•6 Remedial</li><li>•7 Re-certification</li></ul>	<b>10 or TBA</b>	<i>Assigned by local FSD at the end of each evaluation period</i>



<b>Screening Operations</b>	<ul style="list-style-type: none"> <li>•8 Security Effectiveness</li> <li>•9 Throughput Efficiency</li> <li>•10 Customer Satisfaction</li> </ul>	<b>50 or TBA</b>	<i>Assigned by local FSD at the end of each evaluation period</i>
<b>TOTAL</b>		<b>100</b>	<i>Assigned by local FSD at the end of each evaluation period</i>

### **Definitions of Element Criteria:**

The FSD Evaluation serves as a guide to FSDs when assessing how to score Contractor performance for the Award Fee Determination. These criteria are designed to be flexible enough for the FSD to capture all areas of concern and/or strong performance. To assist the FSD in determining how to score the Contractor for each of the elements, below is a list of possible components that can be captured in these elements.

When assessing scores for each of these elements, FSDs should refer to relevant PMR minutes, emails, or other records for the period of performance.

#### **1. Business Management**

##### **Financial Management**

- a. Documentation – The Contractor’s ability to document policies and procedures to track and report costs associated with the performance of screening services and/or other allowable expenditures (in accordance with the contract).
- b. Costs – The Contractor’s ability to manage costs within budget.

##### **Workforce Management**

- a. Supervision – The Contractor’s ability to manage the program requirements and personnel, the Contractor’s ability to meet TSA workforce requirements.
- b. Scheduling – The Contractor’s ability to anticipate and resolve problems and recover from delays, as well as, response to unanticipated schedule changes. Contractor’s compliance with the Pre-transition and Transition Checklists finalized at contract award.
- c. Workforce Utilization – The Contractor’s ability to achieve and sustain a high level of employee productivity.

##### **Maintenance, Use and Inventory of Equipment, Property, and Materials**

- a. Maintenance – Effectively providing routine maintenance of screening security areas and equipment.
- b. Inventory – Proactively conducting physical inventories,

responsibilities, and record keeping for all property, equipment and materials used by the Contractor as instructed in the inventory program; also purchasing all consumables necessary to perform screening services at passenger and baggage checkpoints.

### **Reporting**

Evaluating the Contractor's ability to provide all standard reports required by the contract in a timely and efficient manner.

### **Responsiveness**

- a. Reporting – Effectively reporting directly to the FSD responsible for the security screening at the airport.
- b. Address – Ensuring issues of concern and opportunities for improvement are identified and addressed through the development of a meeting schedule, issues escalation process and a communication plan.

### **Screener Standards**

- a. SOP Compliance – Ensuring screeners comply with all TSA security directives and policies regarding appropriate conduct, and abiding by the standards of conduct as defined by the SOP's security directives and in the Schedule.
- b. Inventory – Effectively managing the inventory, custody, control and disposition of screener uniforms.

## **2. On-Boarding**

- a. Recruiting – Identifying qualified, professional, and diverse screener applicants to address hiring needs in a timely manner.
- b. Assessment (*Contractor tasks*) – Identifying candidates who fulfill all employment eligibility criteria and possess the skills and abilities necessary for screening positions. Contractors will be required to ensure 100% of employed screeners meet statutory requirements for employment.
- c. Credentialing (*Contractor tasks*) – Adhering to the credentialing services outlined in TSA's Background Investigation requirements. Contractors will be required to ensure 100% of employed screeners meet credentialing criteria as defined by TSA.

## **3. Training**

The Contractor's performance in ensuring that:

- a. New-hires receive the required training before assuming screening responsibilities
- b. Screeners must meet the minimum requirement of three (3) hours of training per screener, per week, averaged over a calendar quarter

c. Screeners receive a minimum of three (3) hours of remediation, provided by the Contractor, for failing a covert test

#### **4. Screening Operations**

- a. The Contractor's performance of the basic functional areas of this contract such as Screening Checkpoint Standard Operating Procedures and Checked Baggage Screening Standard Operating Procedures.
- b. Security – Providing and administering security screening operations that are secure and efficient in meeting the needs of TSA, FSD and other stakeholders (possible measure may be covert testing - number of successful covert tests / total number of covert tests).
- c. Customer Satisfaction - Providing the traveling public with a secure traveling environment, while minimizing the necessary intrusion on public and transportation workers. The Contractor shall minimize the possibility for customer complaints and address any complaints in a timely manner, to the benefit of the broader traveling public.
- d. Throughput Efficiency – Providing screening services in an efficient manner while not jeopardizing the safety of the traveling public (possible measure may be throughput efficiency - the total customer and baggage throughput divided by the number of screener hours).

#### **C.8.4.4 Guidance for Submitting Innovative Ideas**

***(This section applies to innovations related to CLINs 0001, 0004, 0007, 0010, and 0013 only)***

The Contractor *may* submit innovative ideas that will improve security effectiveness, cost efficiency, or customer satisfaction through the development of Screener Innovation Submissions under the contract. These submissions will be evaluated on a recurring basis by the airport FSD and submitted to the SPP PMO on a semi-annual basis. A percentage of the award fee, to be specified in the contract award, will be tied to the ***optional*** submissions in accordance with the acceptance criteria for such submissions.

Contractors may submit their innovative ideas to the FSD up to one month before the end of the evaluation period. The submissions will be evaluated and scored by the FSD and FSD staff. The FSD has final approval authority. Scores for innovations that were approved and/or implemented will be submitted with the FSD award fee recommendation.

FSDs have the authority to limit the amount of submissions the Contractors may propose before each evaluation period based on the security demands of the airport, and may reject submissions that he or she feels are not substantially different from suggestions previously submitted. Innovations will not be accepted if, in the opinion of TSA, they violate the law, public or TSA/DHS policy and/or TSA/DHS regulations.

The submission may identify or propose innovations in one or all of the following:

1. Innovations that are currently being implemented as part of the Contractor's required services that have been shown to improve security effectiveness, reduce costs, or increase customer satisfaction
2. Innovative practices that the Contractor would like to implement to improve security effectiveness, reduce costs, or increase customer satisfaction, but may require changes in the SOP or contract

Possible categories for submissions may include, but are not limited to:

- Cost savings in the areas of consumables, uniforms, insurance, etc.
- Proposed improvements to the SOP
- Innovative approaches to assessment and training
- Innovative approaches to increasing customer satisfaction
- Approaches to decrease attrition, OJI, or absenteeism
- Staffing and/or scheduling efficiencies
- Increasing employee morale
- Efficiencies processing passenger and baggage claims

Innovative ideas are submitted in the following format:

- One to two page executive overview
- An introduction to the problem (backed by quantifiable evidence if available)
- Proposed Solutions
  - Description of products and/or services
  - Personnel needed to implement
- Recommended timeframes
- Potential barriers to implementation
- **Impacts to security effectiveness (no submission will be rewarded if shown to decrease security effectiveness)**
- Cost/benefit analysis to include projected return on investment (ROI)
- If already implemented, Contractor must demonstrate quantifiable evidence (to include baseline statistics)

Note: Any submission may be approved (in whole or in part) and incorporated into the contract by modification. As determined by the FSD and TSA Contracting Officer, if a change in the contract is necessary, until the effective date of the modification, the Contractor shall perform in accordance with the existing contract. The decision to accept or reject a proposed innovation is not subject to dispute.

### **Innovation Scoring Criteria for Award Fee**

The submissions will be evaluated using two primary criteria:

1. Strength of Concept – “Is it a good idea”, and
2. Probability of Implementation – “Can it be done”

The following table illustrates the evaluation factors that will be used by the FSD in

coordination with the SPP PMO. Each level is worth 10 points for a total of 60 points. For example, if a Contractor receives a level 2 in the “strength of concept” category and a level 1 in the “probability of implementation” category, then the Contractor will receive 30 points. Each innovation will be scored separately with the total cumulative points making up the final score.

Contractors and FSDs are reminded that if Innovation Submissions relate to security flaws or failures, they may constitute Sensitive Security Information and should be labeled and handled as SSI.

#### Screening Innovation Submission Evaluation Criteria

Criteria	Level	Points	Description
	<b>3</b>	<b>30</b>	Innovation has/will <b>significantly</b> improve(d) security effectiveness, reduce costs, <b>or</b> increase customer satisfaction <b>across multiple airports or industries</b>
	<b>2</b>	<b>20</b>	Innovation has/will <b>significantly</b> improve(d) security effectiveness, reduce(d) costs, <b>or</b> increase(d) customer satisfaction in the Contractor's airport
	<b>1</b>	<b>10</b>	Innovation has/will <b>moderately</b> improve(d) security effectiveness, reduce(d) costs, or increase(d) customer satisfaction
	<b>0</b>	<b>0</b>	Innovation has/will <b>not</b> improve(d) security effectiveness, reduce(d) costs, or improve(d) customer satisfaction
	<b>3</b>	<b>30</b>	Very High
	<b>2</b>	<b>20</b>	High
	<b>1</b>	<b>10</b>	Moderate
	<b>0</b>	<b>0</b>	Unlikely

## **C.9 MAINTENANCE AND USE OF PROPERTY, EQUIPMENT AND MATERIALS**

### **C.9.1 Government Furnished Property (GFP)**

The contractor shall perform maintenance in accordance with the requirements defined in Section J.10 TSA Government Furnished Property (GFP) Maintenance Requirements. Section J.10 defines the different levels of preventative maintenance (PM) and corrective maintenance (CM).

#### **C.9.1.1 Leased Real Property**

The Contractor is responsible for leasing space, if space is not provided by the Government, to support the screening operations based on space requirements identified by the contractor and COTR/FSD. This may include any or all of the following: Training Room, Break Rooms, Locker Rooms, and Administrative Office Space.

#### **C.9.1.2 Maintenance of Equipment**

The Contractor shall provide daily and weekly preventative maintenance of the screening equipment provided by the Government at the airport in accordance with the requirements defined in Section J.10 TSA Government Furnished Property (GFP) Maintenance Requirements. The Contractor shall implement a Maintenance Plan (see C.11 Reporting, Table 2, #A010) that outlines the processes and procedures for ensuring compliance of maintenance of equipment. An inventory of airport specific equipment will be provided in the Airport Site Survey. TSA will provide training for this maintenance.

The Government will provide maintenance as detailed in J.10, either directly or through a separate contract, for all Government Furnished Property, Equipment and Material.

### **C.9.2 Consumables**

The Government will provide the Contractor a thirty (30) day inventory of consumables to support thirty (30) days of security screening operations. These consumables shall be made available to the Contractor by the Government at the time of contract award. The Contractor shall assume responsibility for purchase and management of all consumables after the thirty (30) day period. Section J.11 contains a list of suggested sources from which TSA currently obtains such items.

### **C.9.3 Uniform Control Plan**

The Contractor shall develop a Uniform Control Plan (see C.11 Reporting, Table 2, #A008) for managing the inventory, custody, control, and disposition of screener uniforms in order to ensure that uniforms are accounted for at all times. The Contractor

shall submit the Final Plan to the COTR for review by TSA. In addition to addressing the disposition of uniforms, the Plan shall address seasonal usage, timely replacement of worn and/or damaged uniforms, and, if proposed, uniform allowance costs.

The specifications for new or replacement uniform purchasing are located in Section J.6 Screener Uniforms and Uniform Directives.

Uniforms are to be handled and controlled in accordance with the directives as shown in Section J.6. The Contractor shall develop a process for controlling the distribution and collection of uniforms that will ensure that all uniform parts with TSA or other distinctive screener identification can be accounted for.

The following additional guidance is provided to the Contractor regarding the disposition of screener uniforms:

1. When disposing of uniforms, all emblems/patches or other distinctive screener identification information must be completely destroyed;
2. Emblems/patches must be tracked in such a way that the Contractor has a record of how and when the emblems/patches were destroyed; and,
3. Any remaining uniform garments not containing TSA or other screener-related emblems/patches that are intact may be processed for disposal or donated at the Contractor's discretion.

The Contractor will initiate the implementation of this plan during the Transition Phase. The Contractor shall issue guidance to its employees that they are employees of the Contractor and are not employees of TSA.

## **C.10 CLAIMS, VAP, LOST AND UNCLAIMED, HAZMAT**

### **C.10.1 Quarterly Claims Report**

The Contractor shall provide a Quarterly Claims Status Report (see C.11 Reporting, Table 2, #A019) that includes all approvals, denials, settlements, and the number of pending claims that require further adjudication.

### **C.10.2 Passenger and Baggage Claims Plan**

The Contractor shall develop a Passenger and Baggage Claims Plan (see C.11 Reporting, Table 2, #A007). The plan shall include a detailed description for receiving, managing addressing passenger claims related to the security screening process and baggage handling. The Contractor shall submit the Final Plan for review by TSA.

The Claims Plan must include:

- 1 The Contractor's own Notice of Inspection (NOI) for TSA CMO/OCC approval, absent of any TSA insignia or reference, and which includes an appropriate toll-free number and website/e-mail address for passengers to obtain claims submission information

- 2 The Contractor's letters of acceptance and denial of claims for CMO/OCC review
- 3 The Contractor's own claims submission form (the SF-95 may not be used by the Contractor)
- 4 An analysis of the applicable state tort law including, at the minimum, statute of limitations, notice requirements (if any), elements of negligence, status and applicability of *res ipsa loquitur* with respect to checked baggage claims, comparative vs. contributory negligence standards, applicable defenses, measure of damages, not necessarily in the foregoing order
- 5 The Contractor shall supply electronic copies of the claims forms and instructions to TSA to be included on the TSA website

For further information on Claims Plans, please reference Clause H.21.

### **C.10.3 Procedures for Hazardous Materials (*AIRPORT SPECIFIC*)**

The Contractor shall be responsible for the collection of hazardous materials (HAZMAT) during all screening shifts, and shall deliver all collected HAZMAT as follows:

- I.2 If HAZMAT is detected during Checked Baggage Screening, the HAZMAT item(s) shall be turned over to the Airline that has responsibility for the checked baggage.
- I.3 If HAZMAT is detected during Passenger screening, the HAZMAT item shall be delivered to a TSA Screening Manager per FSD's direction.

### **C.10.4 Procedures for Lost and Unclaimed Personal Property**

The Federal Security Director (FSD) has the local responsibility for oversight of the policies and to enforce the policies, regulations, and intent of the TSA Headquarters. The FSD is assisted by the Assistant Federal Security Director (AFSD)-Operations, AFSD-Screening, Deputy AFSD-Screening, Accountable Property Officer (APO), all TSA Screening Managers, the Contracting Officer's Technical Representative (COTR), Stakeholder Manager, and the Administrative Officer.

The contract screening company shall implement and adhere to policies, regulations and guidance to ensure compliance with lost and unclaimed personal property policy and procedures as defined in Section J.9.

### **C.10.5 Procedures for Voluntary Abandoned Property (VAP) (*AIRPORT SPECIFIC*)**

The Federal Security Director (FSD) is ultimately responsible for overseeing the contractor execution of the requirements set forth by this directive, and for ensuring the safe and compliant disposition processing of Voluntarily Abandoned Property (VAP), to include hazardous materials and hazardous waste. As such, the contractor must ensure that the care, handling and disposal of VAP is executed and completed in a manner that is not detrimental or dangerous to public health or safety and in compliance with TSA



policies and procedures.

The Federal Security Director (FSD) has the local responsibility for oversight of the policies and to enforce the policies, regulations and intent of the TSA Headquarters. The FSD is assisted by the Assistant Federal Security Director (AFSD) – Operations, AFSD-Screening, all TSA Screening Managers, the Contracting Officers Technical Representative (COTR), Customer Service Manager, Administrative Officer, the Accountable Property Officer (APO), and the Deputy FSD.

The contract screening company shall implement and adhere to policies, regulations and guidance to ensure compliance with lost and unclaimed personal property policy and procedures as identified in Section J.9.

### **C.11 Reporting**

In accordance with CLINs 0003, 0006, 0009, 0012 and 0015 The Contractor shall provide the reports and plans listed in Table 2 below. The format for the delivery of these reports can be found in on the secure TSA WebBoard at <https://webboards.tsa.dot.gov>. Contractor format is acceptable upon COTR approval for report and plan templates not found on the TSA WebBoard.

**Table 2: Airport Security Screening Contractor Deliverable**

This table contains a listing of reports required under Section C, SOW of this contract. This list of reports is not a comprehensive list. There may be other reports/plans (etc.), as required in other sections of this contract that are not included in the table below. Additionally, if a report/plan is due quarterly, the quarterly date is based on a Government Fiscal Year (FY) Quarter. Also, if a report is due annually, the annual date is at the end of the Government FY.

Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
<b>BUSINESS MANAGEMENT PLANS AND REPORTS</b>								
A001	UPDATED Pre-Transition and Transition Project Plan /, Section	As Required	Within 5 business days after receipt	10 calendar days after receipt	As Required	COTR Office	Electronic Media	C.3.1
A002	Contractor Uniform Patch Design	5 business days after Contract Award	Within 5 business days after the Contract Award	10 calendar days after Contract Award	Once	COTR Office	Electronic Media	C.10.3
A003	UPDATED Contractor Hiring Plan /Section	As Required	Within 5 business days after receipt	10 calendar days after receipt	As Required	PMO through COTR Office	Electronic Media	C.4.1
A004	UPDATED Contractor Quality Control Plan /Section	As Required	Within 30 calendar days after receipt	Upon Government Approval of Plan	As Required	COTR Office	Electronic Media	C.3.1.3
A005	Contractor Training Plan /Section	5 business days after Contract Award	Within 10 business days after receipt	15 calendar days after receipt	As Required	PMO through COTR Office	Electronic Media	C.6.1
A006	Contractor Program Management Plan /Section	Within 15 business days	Within 30 calendar	Upon Government	Once	COTR Office	Electronic Media	C.3.1.3

Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
		after Contract Award	days after Contract Award	Approval of Plan				
A007	Passenger and Baggage Claim Plan /Section	Within 15 business days after Contract Award	Within 30 calendar days after Contract Award	Upon Government Approval of Plan	Once	COTR Office	Electronic Media	C.11.2
A008	Uniform Control Plan / Section	Within 15 business days after Contract Award	30 calendar days after Contract Award	Upon Government Approval of Plan	Once	COTR Office	Electronic Media	C.10.3
A009	SSI Management Plan /Section	Within 15 business days after Contract Award	30 calendar days after Contract Award	Upon Government Approval of Plan	Once	COTR Office	Electronic Media	C.3.3.1
A010	Maintenance and Use of Equipment, Property, and Materials Plan /Section	Within 15 business days after Contract Award	30 calendar days after Contract Award	Upon Government Approval of Plan	Once	COTR Office	Electronic Media	C.10
A011	FSD Reports / Section	As required	Within 30 calendar days	As requested by FSD	As requested by FSD	COTR Office	Electronic Media	C.8.3.2
A012	Financial Baseline Report (CPAF), Annual	30 days after initial contract award & each subsequent authorized option period	Within 30 calendar days	N/A	As required	PMO through COTR Office	Electronic Media	C.6
A013	Financial Management Report (CPAF), Monthly	10th day of following	Within 5 calendar	N/A	Monthly	PMO through COTR Office	Electronic Media	C.6

Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
		month	days					
A014	Performance Report (CPAF/FPAF), Monthly	10th day of following month	Within 5 calendar days	N/A	Monthly	PMO through COTR Office	Electronic copy	C.6
A015	Monthly Staffing Details Report	N/A	Within 5 calendar days	Upon Contract Award	Monthly	PMO through COTR Office	Electronic copy (via email)	C.3.5.2
A016	PMIS /Section	As requested	Within 5 calendar days	After FOC	As required by FSD	N/A	Electronic copy	C.3.1.3
A017	Contractor Self- Assessment (Optional)	No later than 15 business days after the close of the evaluation period	Within 10 calendar days	Upon Contract Award	Bi-annual	PMO through COTR Office	Electronic copy (via email)	C.3.1.3
A018	Subcontracting Report / SF 294, SF 295	30 days following end of period	Within 30 calendar days	After Award		Electronic Subcontracting Reporting System (eSRS)	Electronic Report (via eSRS)	C.3.1.3
A019	Quarterly Claims Status Report /Section	Within 10 business days after end of Government quarter	Within 30 calendar days	FOC	Quarterly	PMO through COTR Office	Electronic copy (via email)	C.3.1.3
A020	Remedial Training Report (CPAF CLINs)	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.5.5
A021	Compensation and Other Benefits Certification	Within 5 days after the end of the Government Quarter	Within 30 calendar days	-----	Quarterly	PMO through COTR Office	Electronic copy (via email)	ATSA

Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
A022	Weekly Management Report (WMR)	Weekly	Within 24 hours	FOC	Weekly	COTR Office	Electronic copy (via email)	C.8
A023	Post Award Conference (PAC) Agenda	Within 3 days after contract award	Within 5 business days	Upon Government Approval	Once	COTR Office	Electronic Media	G.7
A024	Post Award Conference (PAC) Minutes	Within 5 business days after the Post Award Conference	Within 5 business days	Upon Government Approval	Once	COTR Office	Electronic Media	G.7
<b>MAINTENANCE</b>								
A025	ETD Calibration Recording Form	Per shift / per machine	Daily	FOC	Daily	COTR Office	Electronic copy (via email)	C.9.1.3
A026	Explosive Trace Detection (ETP) Shift Maintenance Schedule	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.9.1.3
A027	Maintenance Recording Form	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.9.1.3
A028	Entry Scan Shift Monthly Maintenance Schedule	Every 1,000 hours or every four months (whichever comes first)	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.9.1.3
A029	Bi-weekly Maintenance Form for ETP Explosive Trace Portal (GE/Entry Scan)	Bi-weekly	Within 24 hours	FOC	Weekly	COTR Office	Electronic copy (via email)	C.9.1.3

Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
A030	ETP Calibration Verification Form for GE IONSCAN 3e	At end of every shift	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.9.1.3
A031	ETD Calibration Recording Form	End of AM and PM security screening shift	Daily	FOC	Daily	COTR Office	Electronic copy (via email)	C.9.1.3
A032	Daily Maintenance Log for X-Ray	At end of daily security screening operations	Daily	FOC	Daily	COTR Office	Electronic copy (via email)	C.9.1.3
A033	As Required Maintenance Form X-Ray	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.9.1.3
A034	ETD Shift Maintenance Form	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.9.1.3
A035	Weekly Maintenance Form ETD	Weekly	Weekly	FOC	Weekly	COTR Office	Electronic copy (via email)	C.9.1.3
A036	Daily Maintenance Log for ETD	At end of daily security screening operations	Daily	FOC	Daily	COTR Office	Electronic copy (via email)	C.9.1.3
A037	ETD Monthly Alarm Log	Individual Case Basis (ICB)	Within 24 hours	FOC	Individual Case Basis (ICB)	COTR Office	Electronic copy (via email)	C.9.1.3
<b>CHECKLISTS AND LOGS</b>								
A038	Armed Law Enforcement Verification Log	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.6.2.4.3
A039	U.S. Currency Control Log	Daily	Daily	FOC	Daily	COTR Office	Electronic	

Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
							copy (via email)	
A040	Customer Service Incident Investigation Report	As required	Daily	FOC	Daily	COTR Office	Electronic copy (via email)	C.11.1
A041	Customer Satisfaction Survey	As requested	When available	FOC	As required if form is filled out	COTR Office	Electronic copy (via email)	C.11.1
A042	Aircraft Operator Hazardous Material Notification Record	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.11.3
A043	Hazmat Discovery Record PAX Checkpoint	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.11.3
A044	Hazmat Discovery Record Checked Baggage	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.11.3
A045	TSA Surrendered Items Checklist	End of AM and PM security screening shift	Daily	FOC	Daily	COTR Office	PMIS	C.11.4
A046	Passenger Throughput Data Submission	Daily	Daily	FOC	Daily	COTR Office	PMIS	C.3.2
A047	Baggage Throughput Data Submission	Daily	Daily	FOC	Daily	COTR Office	PMIS	C.3.2
A048	Opening/Closing the Passenger Screening Checkpoint Report	Daily	Daily	FOC	Daily	COTR Office	Electronic copy (via email)	C.3.2
A049	Opening/Closing the Checked Baggage Screening	Daily	Daily	FOC	Daily	COTR Office	Electronic copy (via	C.3.2

Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
	Checkpoint Report						email)	
A050	Passenger Checkpoint Security Screening Wait Time Form	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	PMIS	C.3.2
A051	Screening Checkpoint Security Breach Report	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.3.2
A052	Monetary Items Found at Security Screening Checkpoint	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.10
A053	Voluntary Abandoned Property (VAP) Monthly Report	Within 5 days of the end of a calendar month	Within 24 hours	FOC	Daily	COTR Office	Electronic copy (via email)	C.10
A054	Itemization of Reutilized Voluntary Abandoned Property (VAP)	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.10
A055	Certificate of Final Disposition (VAP)	As required		FOC		COTR Office	Electronic copy (via email)	C.10
A056	Memorandum for Record (VAP)	As required		FOC	As required if deemed necessary	COTR Office	Electronic copy (via email)	C.10
A057	Lost and Unclaimed Daily Inventory Record	Daily	Daily	FOC	Daily	COTR Office	Electronic copy (via email)	C.10
A058	Remedial Training Report (CPAF CLINs)	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.5.5
A059	Incident Reporting Requirements List	As required (within 24	Within 2 calendar	FOC	As required if event occurs	COTR Office	Electronic copy (via	C.11.1



Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
		hours of incident)	days				email)	
<b>PERFORMANCE MANAGEMENT INFORMATION SYSTEM (PMIS)</b>								
A060	PMIS Passenger Throughput data submission	End of AM and PM security screening shift	Daily	FOC	Daily	N/A	PMIS	C.3.1.2; C.3.4.1; C.8.1.8
A061	PMIS – New Feedback Submission	At end of every shift	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	C.3.1.2; C.3.4.1; C.8.1.8
<b>SUPERVISOR PROCEDURES</b>								
A062	Supervisor Report from Procedures for IED at Baggage Checkpoint	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	TSA SOP
A063	Supervisor Report from Procedures for IED at Passenger Checkpoint	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	TSA SOP
A064	Supervisor Report from Procedures for Fire inside the airport terminal	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	TSA SOP
A065	Supervisor Security Incident Report for Procedures for Airline Crash	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	TSA SOP
A066	Supervisor Security Incident Report from Procedures for Biological Incident	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	TSA SOP
A067	Supervisor Security Incident Report from Procedures for	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via	TSA SOP

Item #	Title	Submitted	Review Date	Implement Date	Frequency	Submitted To	Type	Relevant Section
	Hazardous Material Spill						email)	
A068	Supervisor Security Incident Report from Procedures for Person with a Weapon	As required	Within 24 hours	FOC	As required if event occurs	COTR Office	Electronic copy (via email)	TSA SOP

## **SECTION D - PACKAGING AND MARKING**

### **Section D Index:**

<b>SECTION CLAUSE NUMBER</b>	<b>TITLE</b>
D.1	PACKAGING AND MARKING
D.2	REPORTS AND OTHER DOCUMENTATION

### **D.1 PACKAGING AND MARKING**

- (a) The contractor shall preserve, pack, and mark for shipment all items deliverable under this contract in accordance with good commercial practices and adequate protection to ensure both acceptance by common carrier and safe transportation at the most economical rate(s).
- (b) The contractor shall be fully liable for any damage, deterioration, or losses incurred during shipment, handling, and installation which is attributable to improper packaging.
- (c) The contractor's markings on shipping containers shall be clearly legible from a distance of 36 inches or as required by applicable regulations. The contractor may mark by stencil, rubber stamp, or lacquer over a coated gummed label.
- (d) Classified reports, data, and documentation shall be prepared for shipment in accordance with National Industrial Security Program Operating Manual (NISPOM), DOD 5220.22-M dated January 1995 with change 1 dated 31 July 1997 and change 2 dated 1 May 2000 and, when applicable, NISPOM Supplement 1 dated February 1995.  
<http://nsi.org/Library/Govt/Nispom.html>
- (e) The Contractor shall place identical requirements on all subcontracts.

### **D.2 REPORTS AND OTHER DOCUMENTATION**

All reports shall be marked with the contract number, to the attention of the listed recipients in the order. The Government prefers to receive all reports electronically in standard MS Office (e.g. Word, Excel, etc) or compatible file format either via e-mail or on a standard disk (ZIP, CD, DVD, etc) that is readable on a PC. Reports and other documentation shall be packaged, packed and marked to ensure arrival at destination in a satisfactory condition. Containers and wrapping shall conform to best commercial practice.

(End of clause)

[END OF SECTION]

## **SECTION E - INSPECTION AND ACCEPTANCE**

### **Section E Index:**

<b>SECTION CLAUSE NUMBER</b>	<b>TSAAMS CLAUSE NO.</b>	<b>DATE</b>	<b>TITLE</b>
E.1	3.1.1	JAN 2005	CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE
E.2			INSPECTION AND ACCEPTANCE

#### **E.1 CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE (TSA 3.1.1) (FEB 2003)**

This RFI/RFP or contract, as applicable, incorporates by reference one or more provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offerors and contractors may obtain the full text via Internet at:

[http://www.tsa.gov/join/business/business\\_tsaams.shtm](http://www.tsa.gov/join/business/business_tsaams.shtm)

**For the purposes of soliciting comments on the draft RFP, the full text of all clauses incorporated by reference will be provided under separate cover.**

<b>CPAF</b>	<b>FPAF</b>	<b>TSAAMS CLAUSE NUMBER</b>	<b>DATE</b>	<b>TITLE</b>
✓		3.10.4.3	FEB 2003	INSPECTION OF SUPPLIES — COST REIMBURSEMENT
✓	✓	3.10.4.4	FEB 2003	INSPECTION OF SERVICES — BOTH FIXED-PRICE & COST REIMBURSEMENT
		3.10.4.5	FEB 2003	INSPECTION—TIME-AND-MATERIAL AND LABOR- HOUR (T&M CLINS)
	✓	3.10.4.16	FEB 2003	RESPONSIBILITY FOR SUPPLIES

#### **E.2 INSPECTION AND ACCEPTANCE**

Inspection and Acceptance of all CLINs, including all options if exercised, shall occur at destination and will be made by the Contracting Officer's Technical Representative.

(End of clause)

[END OF SECTION]

## **SECTION F: DELIVERIES OR PERFORMANCE**

### **Section F Index:**

<b>SECTION CLAUSE NUMBER</b>	<b>TSAAMS CLAUSE NO.</b>	<b>DATE</b>	<b>TITLE</b>
F.1	3.1.1	JAN 2005	CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE
F.2			PERIOD OF PERFORMANCE
F.3			PLACE OF PERFORMANCE
F.4			DELIVERY OF REPORTS

#### **F.1 CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE (TSA 3.1.1) (FEB 2003)**

This solicitation, as applicable, incorporates by reference one or more provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offerors and contractors may obtain the full text via Internet at:

[http://www.tsa.gov/join/business/business\\_tsaams.shtm](http://www.tsa.gov/join/business/business_tsaams.shtm)

**For the purposes of soliciting comments on the draft RFP, the full text of all clauses incorporated by reference will be provided under separate cover.**

<b>CPAF</b>	<b>FPAF</b>	<b>TSAAMS CLAUSE NUMBER</b>	<b>DATE</b>	<b>TITLE</b>
✓	✓	3.10.1.9	FEB 2003	STOP-WORK ORDER
✓		3.10.1.9.1	FEB 2003	STOP-WORK ORDER - ALTERNATE I
	✓	3.10.1.11	FEB 2003	GOVERNMENT DELAY OF WORK
✓	✓	3.11.34	FEB 2003	FOB - DESINATION

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## F.2 PERIOD OF PERFORMANCE

CLIN	Start Date of Performance	End Date of Performance
0001	TBD	TBD

OPTION CLIN (if exercised)	Start Date of Performance	End Date of Performance
0002	TBD	TBD
0004	TBD	TBD
0005	TBD	TBD
0007	TBD	TBD
0008	TBD	TBD
0010	TBD	TBD
0011	TBD	TBD
0013	TBD	TBD
0014	TBD	TBD

(End of clause)

## F.3 PLACE OF PERFORMANCE

The contractor shall perform the work under this contract at the location listed below:

**(To be completed at contract award)**

(End of clause)

## F.4 DELIVERY OF REPORTS

(a) **FOR CLINS 0003, 0006, 0009, 0012 AND 0015:** All data/reports shall be delivered in accordance with the schedule as contained in paragraph C.11, Table 2. Table 2 also includes the persons that should receive each report. The names of those individuals and their addresses are listed below:

Title	Names (To be filled in at award.)	Addresses
COTR		
FSD		
CO		
HQ PMO Rep		

The Contractor shall consider in its delivery schedule that all non-electronic mail delivered to TSA will undergo an average three (3) to (5) day delay due to security screening requirements.

(End of clause)

[END OF SECTION]

## **SECTION G: CONTRACT ADMINISTRATION DATA**

### **Section G Index:**

<b>SECTION CLAUSE NO.</b>	<b>CPAF</b>	<b>FPAF</b>	<b>TSAAMS CLAUSE NO.</b>	<b>DATE</b>	<b>TITLE</b>
G.1	✓	✓	3.1.1	JAN 2005	CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE
G.2	✓	✓			CONTRACTING OFFICER
G.3	✓	✓	3.10.1.22	JUL 1996	CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE
G.4	✓	✓			CONTRACT MANAGEMENT
G.5	✓	✓			CONTRACTING OFFICE POINT OF CONTACT
G.6	✓				TRAVEL REQUIREMENTS AND TRAVEL APPROVAL
G.7	✓	✓			POST AWARD CONFERENCE
G.8	✓	✓		FEB 2006	SUBMISSION OF INVOICES
G.9	✓	✓		FEB 2006	PREPARATION OF INVOICES
G.10	✓	✓		FEB 2006	PROMPT PAYMENT
G.11	✓	✓		FEB 2006	MANDATORY INFORMATION FOR ELECTRONIC FUNDS TRANSFER (EFT) PAYMENT – CENTRAL CONTRACTOR REGISTRATION (CCR)
G.12	✓		3.2.4.5	FEB 2003	ALLOWABLE COST AND PAYMENT
G.13	✓				PROGRESS PAYMENTS INVOICING INSTRUCTIONS
G.14	✓			JAN 1997	CERTIFICATION OF FINAL INDIRECT COSTS
G.15	✓	✓			GOVERNMENT FURNISHED PROPERTY
G.16	✓	✓		APR 1984	GOVERNMENT PROPERTY FURNISHED "AS IS"

### **G.1 CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE (TSA 3.1.1) (FEB 2003)**

This RFI/RFP or contract, as applicable, incorporates by reference one or more provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offerors and contractors may obtain the full text via Internet at:

[http://www.tsa.gov/join/business/business\\_tsaams.shtm](http://www.tsa.gov/join/business/business_tsaams.shtm)

**For the purposes of soliciting comments on the draft RFP, the full text of all clauses incorporated by reference will be provided under separate cover.**



CPAF	FPAF	TSAAMS CLAUSE NUMBER	DATE	TITLE
✓	✓	3.10.3.1	FEB 2003	DEFINITIONS – GOVERNMENT PROPERTY
✓	✓	3.10.3.2	FEB 2003	GOVERNMENT PROPERTY – BASIC CLAUSE
	✓	3.10.3.2.1	FEB 2003	GOVERNMENT PROPERTY BASIC CLAUSE, ALTERNATE I
✓		3.10.3.2.2	FEB 2003	GOVERNMENT PROPERTY BASIC CLAUSE, ALTERNATE II
✓	✓	3.10.3.10	FEB 2003	MANAGEMENT OF GOVERNMENT PROPERTY IN CONTRACTOR’S POSSESSION
✓	✓	3.10.3.11	FEB 2003	CONTRACTOR’S MAINTENANCE PROGRAM
✓	✓	3.10.3.12	FEB 2003	IDENTIFICATION OF GOVERNMENT-FURNISHED PROPERTY
✓	✓	3.10.3.13	FEB 2003	SEGREGATION OF GOVERNMENT PROPERTY
✓	✓	3.10.3.14	FEB 2003	INVENTORIES
✓	✓	3.10.3.15	FEB 2003	DISPOSITION OF GOVERNMENT PROPERTY

(End of clause)

## **G.2 CONTRACTING OFFICER**

a) The Contracting Officer for this contract is the only person authorized to approve changes in any requirements under this contract. Notwithstanding any clauses contained elsewhere in this contract the authority remains solely with the contracting officer.

(b) In the event the contractor effects any change at the direction of any person other than the contracting officer the change will be considered to have been made without authority and no adjustment will be made to the contract cost or price to cover any increase in costs incurred as a result of the change.

(c) The contractor shall submit any requests for modifications to this contract to the contracting officer with a copy to the Contracting Officer’s Technical Representative.

(d) The Contracting Officer for this contract is identified in G.4.

(e) All correspondence related to this contract shall be directed to the Contracting Officer. All references to the Contracting Officer shall refer to the person identified in clause G.4.

(End of clause)

## **G.3 CONTRACTING OFFICER’S TECHNICAL REPRESENTATIVE (TSA 3.10.1.22) (JUL 1996)**

(a) The Contracting Officer may designate other Government personnel (known as the Contracting Officer’s Technical Representative) to act as his or her authorized representative for contract administration functions which do not involve changes to the

scope, price, schedule, or terms and conditions of the contract. The designation will be in writing, signed by the Contracting Officer, and will set forth the authorities and limitations of the representative(s) under the contract. Such designation will not contain authority to sign contractual documents, order contract changes, modify contract terms, or create any commitment or liability on the part of the Government different from that set forth in the contract.

(b) The Contractor shall immediately contact the Contracting Officer if there is any question regarding the authority of an individual to act on behalf of the Contracting Officer under this contract.

(End of clause)

#### **G.4 CONTRACT MANAGEMENT**

Notwithstanding the Contractor's responsibility for total management responsibility during the performance of this contract, the administration of the contract will require maximum coordination between the Transportation Security Administration (TSA) and the Contractor.

The following individuals will be the TSA's points of contact during the performance of the contract:

1. Contracting Officer (CO): The TSA Contracting Officer (CO) identified below, has the overall responsibility for this contract. The CO alone, without delegation, is authorized to take actions on behalf of the Government to amend, modify or deviate from the contract terms, conditions, and requirements. No oral statement by any person, or written statement by anyone other than the Contracting Officer, or his or her authorized representative acting within the scope of his or her authority, shall be interpreted as modifying the terms and conditions of this Contract. The CO may delegate certain other responsibilities to his/her authorized representatives or Contracting Officer Technical Representative (COTR). The CO for this contract is:

**Scott P. Bishop**

2. Contracting Officer's Technical Representative (COTR): The COTR for this contract is:

***(To be determined upon award by the CO)***

The COTR has the authority to monitor the technical progress of the supplies, services, or construction that are required to be delivered under the contract. This includes visits to contractor's plant or the place of performance, meetings and telephone conversations with contractor personnel, inspection, acceptance, or rejection of the contracted items and other duties that may be authorized by the CO.

The COTR cannot authorize or order the cessation of contract work, nor delete, change,

or waive any of the technical requirements or other terms and conditions of the contract. Should a need for a change (monetary or otherwise) arise under the contract, the contractor must submit a written request to the CO for consideration. If appropriate, the change will be effected by a contract modification, after discussions and/or negotiations. Whenever a difference of opinion between the contractor and the COTR occurs, notify the CO immediately for resolution. Contractors should also contact the CO when unable to contact the COTR on a technical matter and for assistance on all other matters pertaining to this contract. See H.21 concerning technical direction.

(End of clause)

## **G.5 CONTRACTING OFFICE POINT OF CONTACT**

The Point of Contact for this procurement is:

Scott P. Bishop  
Contracting Officer  
Office of Acquisition, TSA-25  
Transportation Security Administration HQ  
601 South 12<sup>th</sup> Street  
Arlington, VA 22202  
Telephone: (571) 227-1883  
Fax: (571) 227-3219  
e-mail: scott.bishop@dhs.gov

(End of clause)

## **G.6 TRAVEL REQUIREMENTS AND TRAVEL APPROVAL**

(a) All Contractor and subcontractor travel requires prior written approval of the TSA COTR. Travel requests may be sent and approved via e-mail. All travel requests shall include: 1) name(s) of traveler(s); 2) order number and line item number, if applicable; 3) purpose of travel; 4) length of travel; and 5) itemized trip costs, i.e. airfare, hotel costs, meals and incidentals, rental car, etc. Travel requests shall also include the Federal Travel Regulations per diem rate (hotel and meals and incidental rates) for the trip location. Per Diem rates may be found at the following GSA website: <http://www.gsa.gov>. Scroll down to Travel Resources, click on Per Diem Rates. **Unapproved travel will not be reimbursed.**

(b) Do not incur or invoice travel costs if they are not specifically identified in the contract.

(c) Do not incur or invoice travel costs for non-direct cost contractor employees as a direct cost, i.e. if a contractor employee is charged as an indirect cost to the contract, then that employee's travel costs are also indirect costs to the contract.

(d) The Contractor shall be reimbursed for travel costs associated with this contract. The reimbursement for those costs shall be as follows:

Travel subsistence reimbursements will be authorized under the rates and conditions under the Federal Travel Regulations.

Per diem will be reimbursed, at actual costs, not to exceed, the per diem rates set forth in the Federal Travel Regulations prescribed by General Services Administration and when applicable, Standardized Regulations Section 925 – Maximum Travel Per Diem Allowances for Foreign Areas – prescribed by the Department of State.

4)

- 5) Travel of more than 12 hours, but less than 24 hours, when no lodging is required, per diem shall be 75% of the Meals and Incidental Expenses (M&IE) rate applicable to the locations of temporary duty assignment. If more than one temporary duty point is involved, the allowance of one-half of the M&IE rate is prescribed for the location where the majority of the time is spent performing official business. The per diem allowance shall not be allowed when the period of official travel is 12 hours or less during the same calendar day.

Airfare costs in excess of the lowest customary standard, coach or equivalent airfare offered during normal business hours are unallowable.

Written receipt is required for each expenditure over \$75.00.

(e) Local Travel Costs will not be reimbursed. Local travel costs include, but are not limited to, the following:

(1) Travel at Government installations where Government transportation is available;

(2) Travel performed for personnel convenience/errands, including commuting to and from work; and,

(3) Travel costs incurred in the replacement of personnel when such replacement is accomplished for the contractor's or employee's convenience.

(f) All travel costs must be approved by the FSD's Office prior to incurrence.

(End of clause)

## **G.7 POST AWARD CONFERENCE**

The Contracting Officer will establish the date of the Post Award Conference to be held within seven days (7) of contract award. The contractor shall prepare the agenda, invite the stakeholders, and prepare and distribute the minutes of the conference. The conference shall be co-chaired by the Contracting Officer and contractor's program manager. The location of the conference shall be a place mutually agreeable to the

Government and the contractor. The minutes of the conference shall document all discussions that took place, as well as all information and guidance provided to the contractor. Any change(s) to the contract will be made only by a contract modification referencing the applicable terms of the contract. It is anticipated that, at a minimum, the contractor shall brief its business/transition plan, program schedule, program management, and organization.

This provision shall in no event constitute grounds for excusable delay by the contractor in performance of any provision of the contract.

(End of clause)

## **G.8 SUBMISSION OF INVOICES (FEB 2006)**

(a) The Transportation Security Administration (TSA) partners with the United States Coast Guard Finance Center for financial services in support of TSA operations, including the payment of contractor invoices. Therefore, all contractor invoices must be submitted to, and will be paid by, the U.S. Coast Guard Finance Center (FinCen).

(b) Invoices may be submitted via U.S. Mail, electronic mail, or facsimile. **Contractors shall utilize ONLY ONE method per invoice submission.** The submission information for each of the three methods is as follows:

**(1) U.S. Mail:**

United States Coast Guard Finance Center  
TSA Commercial Invoices  
P.O. Box 4111  
Chesapeake, VA 23327-4111

**(2) Electronic Mail:**

[TSAINvoices@fincen.uscg.mil](mailto:TSAINvoices@fincen.uscg.mil)

**(3) Facsimile:**

757-413-7314, Facsimile submissions should be addressed to: TSA Invoices.

(c) The electronic mail address and facsimile number listed above shall be used by contractors for ORIGINAL invoice submission only. If either electronic mail or facsimile submission is utilized, contractors shall not submit hard copies of invoices via the U.S. mail. It is the responsibility of the contractor to verify that invoices are received, regardless of the method of submission used. Contractors may inquire regarding the receipt of invoices by contacting the U.S. Coast Guard Finance Center via the methods

listed in subparagraph (e) of this clause.

(d) Upon receipt of contractor invoices, FinCen will electronically route invoices to the appropriate TSA Contracting Officer's Technical Representative and/or Contracting Officer for review and approval. Upon approval, the TSA Contracting Officer will electronically route the invoices back to FinCen. Upon receipt of approved invoices from a TSA Contracting Officer, and the subsequent certification by an Authorized Certifying Official, FinCen will initiate payment of the invoices.

(e) Payment Status: Contractors may inquire on the payment status of an invoice by any of the following means:

- (1) Via the internet: [https://www.fincen.uscg.mil/secure/PH\\_menu.htm](https://www.fincen.uscg.mil/secure/PH_menu.htm)
- (2) Contacting the FinCen Customer Service Section via telephone at (757) 523-6940 (Voice Option #1). The hours of operation for the Customer Service line are 8:00 AM to 5:00 PM Eastern Time, Monday through Friday. However, the Customer Service line has a voice-mail feature that is available 24 hours per day, 7 days per week.
- (3) Via the [Payment Inquiry Form https://www.fincen.uscg.mil/secure/payment.htm](https://www.fincen.uscg.mil/secure/payment.htm)

(End of Clause)

## **G.9 PREPARATION OF INVOICES (FEB 2006)**

(a) Invoices shall include the information required in subparagraph (a)(2) of the Prompt Payment Clause, contained in this Section of the contract, including EFT banking information, Taxpayer Identification Number (TIN), and DUNS number.

(b) Invoices that do not contain the information required by the Prompt Payment Clause may be rejected by the Government and returned to the Contractor. Such rejection by the Government does not entitle the Contractor to interest payments from the date of submission of a rejected invoice. Interest payments apply only to proper invoices that are received by the Government.

(c) Supplemental Invoice Documentation: Contractors shall submit all supplemental invoice documentation (e.g. copies of subcontractor invoices, travel vouchers, etc.) necessary to approve an invoice along with the original invoice. The invoice must contain the information stated in the Prompt Payment Clause in order to be received and processed by FinCen. Supplemental invoice documentation required for review and approval of invoices may, at the written direction of the Contracting Officer, be submitted directly to either the Contracting Officer, or the Contracting Officer's Technical Representative.

(End of Clause)

## **G.10 PROMPT PAYMENT (FEB 2006)**

Notwithstanding any other payment clause in this contract, the Government will make invoice payments under the terms and conditions specified in this clause. The Government considers payment as being made on the day a check is dated or the date of an electronic funds transfer (EFT). All days referred to in this clause are calendar days, unless otherwise specified. (However, see paragraph (a)(3) of this clause concerning payments due on Saturdays, Sundays, and legal holidays.)

### **(a) Invoice payments—**

#### **(1) Due date.**

(i) Except as indicated in paragraph (c) of this clause, the due date for making invoice payments by the designated payment office is the later of the following two events:

(A) The 30th day after the designated billing office receives a proper invoice from the Contractor (except as provided in paragraph (a)(1)(ii) of this clause).

(B) The 30th day after Government acceptance of supplies delivered or services performed. For a final invoice, when the payment amount is subject to contract settlement actions, acceptance is deemed to occur on the effective date of the contract settlement.

(ii) If the designated billing office fails to annotate the invoice with the actual date of receipt at the time of receipt, the invoice payment due date is the 30th day after the date of the Contractor's invoice, provided the designated billing office receives a proper invoice and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

(2) *Contractor's invoice.* The Contractor shall prepare and submit invoices to the designated billing office specified in the contract. A proper invoice must include the items listed in paragraphs (a)(2)(i) through (a)(2)(x) of this clause. If the invoice does not comply with these requirements, the designated billing office will return it within 7 days after receipt, with the reasons why it is not a proper invoice. When resubmitting an invoice that has been returned by the billing office, the Contractor is required to use the same invoice number as that on the originally submitted invoice, as well as either notate that the invoice is a resubmission or include a copy of the notification letter that was sent with the returned invoice. The Government will take into account untimely notification when computing any interest penalty owed the Contractor. **Each invoice shall clearly include the following information:**

**(i) Name and address of the Contractor.**

**(ii) Invoice date and invoice number.** (The Contractor should date invoices as close as possible to the date of the mailing or transmission.) **Each invoice must contain a unique invoice number.**

**(iii) Contract number, Purchase Order number, or other authorization for supplies delivered or services performed (including order number and contract line item number).**

**(iv) Contract Line Item Number or Sub-Line Item Number under which the invoice is submitted (if applicable).**

**(v) Description, quantity, unit of measure, unit price, and extended price of**

**supplies delivered or services performed.**

**(vi) Shipping and payment terms (e.g., shipment number and date of shipment, discount for prompt payment terms). Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.**

**(vii) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).**

**(viii) Name (where practicable), title, phone number, and mailing address of person to notify in the event of a defective invoice.**

**(ix) Taxpayer Identification Number (TIN).**

**(x) Electronic funds transfer (EFT) banking information.**

**(xi) Any other information or documentation required by the contract (e.g., evidence of shipment).**

(3) *Interest penalty.* The designated payment office will pay an interest penalty automatically, without request from the Contractor, if payment is not made by the due date and the conditions listed in paragraphs (a)(4)(i) through (a)(4)(iii) of this clause are met, if applicable. However, when the due date falls on a Saturday, Sunday, or legal holiday, the designated payment office may make payment on the following working day without incurring a late payment interest penalty.

(i) The designated billing office received a proper invoice.

(ii) The Government processed a receiving report or other Government documentation authorizing payment, and there was no disagreement over quantity, quality, or Contractor compliance with any contract term or condition.

(iii) In the case of a final invoice for any balance of funds due the Contractor for supplies delivered or services performed, the amount was not subject to further contract settlement actions between the Government and the Contractor.

(4) *Computing penalty amount.* The Government will compute the interest penalty in accordance with the Office of Management and Budget prompt payment regulations at 5 CFR Part 1315.

(i) For the sole purpose of computing an interest penalty that might be due the Contractor, Government acceptance is deemed to occur constructively on the 7th day (unless otherwise specified in this contract) after the Contractor delivers the supplies or performs the services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or Contractor compliance with a contract provision. If actual acceptance occurs within the constructive acceptance period, the Government will base the determination of an interest penalty on the actual date of acceptance. The constructive acceptance requirement does not, however, compel Government officials to accept supplies or services, perform contract administration functions, or make payment prior to fulfilling their responsibilities.

(ii) The prompt payment regulations at 5 CFR 1315.10(c) do not require the Government to pay interest penalties if payment delays are due to disagreement between the Government and the Contractor over the payment amount or other issues involving contract compliance, or on amounts temporarily withheld or retained in accordance with the terms of the contract. In addition, TSA will not include the following time periods in the calculation and determination of interest



owed:

- (A) The time to notify the Contractor of defects in the invoice, provided this time does not exceed 7 days;
- (B) The time between notification to the Contractor of defects and the resubmission of the invoice;
- (C) Any delay in payment caused by incorrect EFT information provided by the Contractor.

Contractor claims are considered to be disagreements between the Government and the Contractor over the payment amount or other issues involving contract compliance under subsection 4 (ii). The Government and the Contractor will resolve contractor claims and any interest that is determined to be due on such claims in accordance with the TSA disputes process and applicable law.

(5) *Discounts for prompt payment.* The designated payment office will pay an interest penalty automatically, without request from the Contractor, if the Government takes a discount for prompt payment improperly. The Government will calculate the interest penalty in accordance with the prompt payment regulations at 5 CFR Part 1315.

(6) Additional interest penalty.

(i) The designated payment office will pay a penalty amount, calculated in accordance with the prompt payment regulations at 5 CFR Part 1315 in addition to the interest penalty amount only if—

- (A) The Government owes an interest penalty of \$1 or more;
- (B) The designated payment office does not pay the interest penalty within 10 days after the date the invoice amount is paid; and
- (C) The Contractor makes a written demand to the designated payment office for additional penalty payment, in accordance with paragraph (a)(7)(ii) of this clause, postmarked not later than 40 days after the invoice amount is paid.

(ii)(A) The Contractor shall support written demands for additional penalty payments with the following data. The Government will not request any additional data. The Contractor shall—

- (1) Specifically assert that late payment interest is due under a specific invoice, and request payment of all overdue late payment interest penalty and such additional penalty as may be required;
- (2) Attach a copy of the invoice on which the unpaid late payment interest is due; and
- (3) State that payment of the principal has been received, including the date of receipt.

(B) If there is no postmark or the postmark is illegible—

- (1) The designated payment office that receives the demand will annotate it with the date of receipt, provided the demand is received on or before the 40th day after payment was made; or
- (2) If the designated payment office fails to make the required annotation, the Government will determine the demand's validity based on the date the Contractor has placed on the demand, provided such date is no later than the 40th day after payment was made.

(iii) The additional penalty does not apply to payments regulated by other

Government regulations (*e.g.*, payments under utility contracts subject to tariffs and regulation).

(b) *Contract financing payment.* If this contract provides for contract financing, the Government will make contract financing payments in accordance with the applicable contract financing clause.

(c) *Fast payment procedure due dates.* If this contract contains the clause titled "Fast Payment Procedure", payments will be made within 15 days after the date of receipt of the invoice.

(d) *Overpayments.* If the Contractor becomes aware of a duplicate contract financing or invoice payment or that the Government has otherwise overpaid on a contract financing or invoice payment, the Contractor shall immediately notify the Contracting Officer and request instructions for disposition of the overpayment.

(End of Clause)

#### **G.11 MANDATORY INFORMATION FOR ELECTRONIC FUNDS TRANSFER (EFT) PAYMENT - CENTRAL CONTRACTOR REGISTRATION (CCR) (FEB 2006)**

(a) Method of payment. For any payment to be made after June 1, 2001, the Contractor shall provide EFT information to the CCR database. Payments by the TSA under this contract, including invoice and contract financing payments, will be made by EFT, except as provided in paragraph (a)(1). If payment is made by EFT, the TSA may, at its option, also forward the associated payment information by electronic transfer. As used in this clause, the term "EFT" refers to the funds transfer and may also include the information transfer.

(1) In the event the TSA is unable to release one or more payments by EFT, the Contractor agrees to either:

- (i) Accept payment by check or some other mutually agreeable method of payment; or
- (ii) Request the TSA to extend the payment due date until such time as the TSA can make payment by EFT (but see paragraph (d) of this clause).

(b) Mandatory submission of Contractor's EFT information.

(1) The Contractor is required, as a condition to any payment under this contract, to provide the Central Contractor Registration (CCR) database with the information required in the CCR to make payment by EFT. The Contractor may register to the CCR online at [www.ccr.gov](http://www.ccr.gov), or call the CCR Assistance Center toll free at (888)-227-2423 and request the necessary registration forms. The Contractor must have a DUNS number to begin registration. To obtain a DUNS number, call Dun & Bradstreet,

Inc. at (800) 234-3867. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the CCR database.

(2) If the Contractor has identified multiple payment receiving points (i.e., more than one remittance address and/or EFT information set) in the CCR database, and the Contractor has not notified the TSA of the payment receiving point applicable to this contract, the TSA shall make payment to the first payment receiving point (EFT information set or remittance address as applicable) listed in the CCR database.

(c) Mechanisms for EFT payment. The TSA may make payment by EFT through either an Automated Clearing House (ACH) subject to the banking laws of the United States or the Federal Reserve Wire Transfer System at the TSA's option. The rules governing Federal payments through the ACH are contained in 31 CFR Part 210.

(d) Suspension of payment.

(1) Notwithstanding the provisions of any other clause of this contract, the TSA is not required to make any payment under this contract until after the correct EFT payment information from the Contractor has been provided to the CCR database. No invoice or contract financing request shall be deemed to be valid, as defined by the Prompt Payment Act, until correct EFT information is received into the CCR database.

(2) Changes made to an existing record in the CCR database will become effective not later than the 30th day after receipt in the CCR database. However, the Contractor may request that no further payments be made until the changed EFT information is implemented into the CCR database. If such suspension would result in a late payment under the Prompt Payment clause of this contract, the Contractor's request for suspension shall extend the due date for payment by the number of days of the suspension.

(e) Contractor EFT arrangements. The Contractor shall designate a single financial agent capable of receiving and processing the electronic funds transfer using the EFT methods described in paragraph (c) of this clause. The Contractor shall pay all fees and charges for receipt and processing of transfers.

(f) Liability for uncompleted or erroneous transfers.

(1) If an uncompleted or erroneous transfer occurs because the TSA failed to use the Contractor-provided EFT information in the CCR database in the correct manner, the TSA remains responsible for

- (i) making a correct payment,
- (ii) paying any prompt payment penalty due, and
- (iii) recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because Contractor-provided EFT information in the CCR database was incorrect, or was revised within 30 days at the time of TSA release of the EFT payment

transaction instruction to the Federal Reserve System, and:

- (i) If the funds are no longer under the control of the payment office, the TSA is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or
- (ii) If the funds remain under the control of the payment office, the TSA retains the right to either make payment by mail or suspend the payment in accordance with paragraph (d) of this clause.

(g) EFT and prompt payment.

(1) A payment shall be deemed to have been made in a timely manner in accordance with the Prompt Payment clause of this contract if, in the EFT payment transaction instruction given to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

(2) When payment cannot be made by EFT because of incorrect EFT information provided by the Contractor to the CCR database, no interest penalty is due after the date of the uncompleted or erroneous payment transaction, provided that notice of the defective EFT information is issued to the Contractor within 7 days after the TSA is notified of the defective EFT information.

(h) EFT and assignment of claims. If the Contractor assigns the proceeds of this contract as provided for in the Assignment of Claims clause of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall register in the CCR database and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information, which shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the TSA, is incorrect EFT information within the meaning of paragraph (d) of this clause.

(i) Liability for change of EFT information by financial agent. The Contractor agrees that the Contractor's financial agent may notify the TSA of a change to the routing transit number, Contractor account number, or account type. The TSA shall use the changed data in accordance with paragraph (d)(2) of this clause. The Contractor agrees that the information provided by the agent is deemed to be correct information as if it were provided by the Contractor. The Contractor agrees that the agent's notice of changed EFT data is deemed to be a request by the Contractor in accordance with paragraph (d)(2) that no further payments be made until the changed EFT information is implemented by the payment office. The TSA is not liable for errors resulting from changes to EFT information made by the Contractor's financial agent.

(End of Clause)

## **G.12 ALLOWABLE COST AND PAYMENT (TSA 3.2.4.5) (FEB 2003)**

(a) Invoicing. The Government shall make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with the (TSA) "Contract Cost Principles" in effect on the date of this contract and the terms of this contract (upon request, the Contracting Officer will provide a copy of the TSA Cost Principles). The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract. Any payments for costs under this contract, particularly for costs of Indirect Rates under paragraph (d), shall be subject to the provisions of the Limitation of Costs clause, or the Limitation of Funds clause, if applicable. The Contractor shall be responsible to manage and control the allowable cost of performance of the contract, such that payments for any allowable costs, including Indirect Rates under paragraph (d), shall not exceed the estimated cost set forth in the schedule, or the funded amount, less an allowance for fee, if the contract is incrementally funded.

### **(b) Reimbursing costs.**

(1) For the purpose of reimbursing allowable costs (except as provided in subparagraph (2) below, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term costs includes only:

(i) Those costs the Contractor has incurred and recorded at the time of the request for reimbursement;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid for-

(A) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;

(B) Direct labor;

(C) Direct travel;

(D) Other direct in-house costs; and

(E) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under TSA contracts; and

(iii) The amount of payments that have been paid to the Contractor's subcontractors under similar cost standards.

(2) Contractor contributions to any pension or other post retirement benefit, profit-sharing or employee stock ownership plan funds that are paid quarterly or more often may be included in indirect costs for payment purposes, provided that

the Contractor pays the contribution to the fund within 30 days after the close of the period covered. Payments made 31 days or more after the close of a period shall not be included until the Contractor actually makes the payment. Accrued costs for such contributions that are paid less often than quarterly shall be excluded from indirect costs for payment purposes until the Contractor actually makes the payment.

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) below, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) below.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) Small business concerns. A small business concern may be paid more often than every 2 weeks and may invoice and be paid for recorded costs for items or services purchased directly for the contract, even though the concern has not yet paid for those items or services.

(d) Final indirect cost rates.

(1) Final annual indirect cost rates and the appropriate bases shall be established for the period covered by the indirect cost rate proposal.

(2) The Contractor shall, within 90 days after the expiration of each of its fiscal years, or by a later date approved by the Contracting Officer, submit to the cognizant Contracting Officer responsible for negotiating its final indirect cost rates and, if required by agency procedures, to the cognizant audit activity proposed final indirect cost rates for that period and supporting cost data specifying the contract and/or subcontract to which the rates apply. The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct costs in the settlement, and (v) the affected

contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Failure by the parties to agree on a final annual indirect cost rate may be the basis of a claim under the "Contract Disputes" clause.

(e) Billing rates. Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates-

- (1) Shall be the anticipated final rates; and
- (2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) Quick-close-out procedures. When the Contractor and Contracting Officer agree, the quick-close-out procedures may be used.

(1) Procedures. Settlement of indirect cost rates shall apply to this contract, in advance of the determination of final indirect cost rates, if:

- (i) The contract is physically complete;
- (ii) The amount of unsettled indirect cost to be allocated to this contract is not more than \$500,000 and the cumulative unsettled indirect costs to be allocated to one or more contracts in a single fiscal year do not exceed 15 percent of the estimated, total unsettled indirect costs allocable to cost-type contracts for that fiscal year; and
- (iii) Agreement can be reached on a reasonable estimate of allocable dollars.

(2) The settlement shall be final for this contract and no adjustment shall be made to other contracts for over- or under-recoveries of costs allocated or allocable to this contract.

(3) The settlement shall not be considered a binding precedent when establishing the final indirect costs for other contracts.

(g) Audit. At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be (1) reduced by amounts found by the Contracting Officer not to constitute allowable costs or (2) adjusted for prior overpayments or underpayments.

(h) Final payment.

(1) The Contractor shall submit a completion invoice or voucher, designated as such, promptly upon completion of the work, but no later than one year (or longer, as the Contracting Officer may approve in writing) from the completion date. Upon approval of that invoice or voucher, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver-

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except-

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

(End of clause)



### **G.13 PROGRESS PAYMENTS INVOICING INSTRUCTION**

All contractor requests for progress payments shall be submitted on Standard Form 1443, "Contractor's Request for Progress Payment," in lieu of an invoice, in accordance with instructions contained on the reverse side of the Standard Form 1443 to the cognizant administration office for certification of progress payments. Final invoices are to be submitted in accordance with vouchering and paying instructions as contained herein.

### **G.14 CERTIFICATION OF FINAL INDIRECT COSTS (JAN 1997)**

(a) The Contractor shall-

- (1) Certify any proposal to establish or modify final indirect cost rates;
- (2) Use the format in paragraph (c) of this clause to certify; and
- (3) Have the certificate signed by an individual of the Contractor's organization at a level no lower than a vice president or chief financial officer of the business segment of the Contractor that submits the proposal.

(b) Failure by the Contractor to submit a signed certificate, as described in this clause, may result in final indirect costs at rates unilaterally established by the Contracting Officer.

(c) The certificate of final indirect costs shall read as follows:

#### **Certificate of Final Indirect Costs**

This is to certify that I have reviewed this proposal to establish final indirect cost rates and to the best of my knowledge and belief:

1. All costs included in this proposal (identify proposal and date) to establish final indirect cost rates for (identify period covered by rate) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) and its supplements applicable to the contracts to which the final indirect cost rates will apply; and
2. This proposal does not include any costs which are expressly unallowable under applicable cost principles of the FAR or its supplements.

Firm: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Name of Certifying Official: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date of Execution: \_\_\_\_\_

(End of clause)

#### **G.15 GOVERNMENT FURNISHED PROPERTY**

The Government Furnished Property (GFP) to be provided to the Contractor is identified in Attachment J-10 entitled "TSA Government Furnished Property (GFP)". The Contractor shall be responsible for this GFP in accordance with the terms of this contract. See also paragraph C.9.

#### **G.16 GOVERNMENT PROPERTY FURNISHED "AS IS" (APR 1984)**

(a) The Government makes no warranty whatsoever with respect to Government property furnished "as is," except that the property is in the same condition when placed at the f.o.b. point specified in the solicitation as when inspected by the Contractor pursuant to the solicitation or, if not inspected by the Contractor, as when last available for inspection under the solicitation.

(b) The Contractor may repair any property made available on an "as is" basis. Such repair will be at the Contractor's expense except as otherwise provided in this clause. Such property may be modified at the Contractor's expense, but only with the written permission of the Contracting Officer. Any repair or modification of property furnished "as is" shall not affect the title of the Government.

(c) If there is any change in the condition of Government property furnished "as is" from the time inspected or last available for inspection under the solicitation to the time placed on board at the location specified in the solicitation, and such change will adversely affect the Contractor, the Contractor shall, upon receipt of the property, notify the Contracting Officer detailing the facts and, as directed by the Contracting Officer, either (1) return such property at the Government's expense or otherwise dispose of the property or (2) effect repairs to return the property to its condition when inspected under the solicitation or, if not inspected, last available for inspection under the solicitation. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall equitably adjust any contractual provisions affected by the return, disposition, or repair in accordance with the procedures provided for in the Changes clause of this contract. The foregoing provisions for adjustment are the exclusive remedy available to the Contractor, and the Government shall not be otherwise liable for any delivery of Government property furnished "as is" in a condition other than that in which it was originally offered.

(d) Except as otherwise provided in this clause, Government property furnished "as is" shall be governed by the Government Property clause of this contract.

(End of clause)

[END OF SECTION]

## **SECTION H: SPECIAL CONTRACT REQUIREMENTS**

### **Section H Index:**

<b>Section Clause No.</b>	<b>CPAF</b>	<b>FPAF</b>	<b>TSAAMS CLAUSE NO.</b>	<b>DATE</b>	<b>TITLE</b>
H.1	✓	✓			DISSEMINATION OF INFORMATION
H.2	✓	✓			ORDERING PROVISIONS
H.3	✓	✓			PLACEMENT OF ORDERS
H.4	✓	✓			QUALIFIED PRIVATE SCREENING COMPANIES
H.5	✓	✓			CERTIFICATION-COMPANY OWNED AND CONTROLLED BY U.S. CITIZENS
H.6	✓	✓			U.S. CITIZENS AND USE OF FOREIGN NATIONALS AND ALIENS ON TSA CONTRACTS
H.7	✓	✓			AVIATION AND TRANSPORTATION SECURITY ACT REQUIREMENTS
H.8	✓	✓	3.14.6	JUL 2004	PRE-EMPLOYMENT SECURITY SCREENING OF CONTRACTOR EMPLOYEES
H.9	✓	✓	3.8.2.17	FEB 2003	KEY PERSONNEL AND FACILITIES
H.10	✓	✓			REASSIGNMENT AND REPLACEMENT OF CONTRACTOR PERSONNEL
H.11					IDENTIFICATION OF CONTRACTOR EMPLOYEES AT GOVERNMENT FACILITIES
H.12	✓	✓	3.14.4	JUL 2002	GOVERNMENT ISSUED KEYS, IDENTIFICATION BADGES, AND VEHICLE DECALS
H.13	✓	✓			SERVICE CONTRACT ACT APPLICABILITY
H.14	✓	✓			NON-PERSONAL SERVICES
H.15	✓	✓			CONTRACTOR RESPONSIBILITIES
H.16	✓	✓			PASSENGER AND BAGGAGE CLAIMS
H.17	✓	✓			INSURANCE ( <i>APPLICABLE ONLY UPON AWARD</i> )
H.18	✓	✓			LIABILITY
H.19	✓	✓	3.6.2.10	NOV 1997	EQUAL OPPORTUNITY PREAWARD CLEARANCE OF SUBCONTRACTS
H.20	✓	✓			SUBCONTRACT FLOW-DOWN
H.21	✓	✓			TECHNICAL DIRECTION
H.22	✓	✓			DETERMINATION OF FEE
H.23	✓	✓			SECTION 508 STANDARDS
H.24	✓	✓			TYPE OF CONTRACT
H.25	✓	✓			SEVERANCE PAY

Section Clause No.	CPAF	FPAF	TSAAMS CLAUSE NO.	DATE	TITLE
H.26	✓	✓			SMALL BUSINESS SUBCONTRACTING PLAN
H.27	✓	✓		FEB 2003	ORGANIZATIONAL CONFLICTS OF INTEREST
H.28	✓	✓			REPRESENTATIONS AND CERTIFICATIONS
H.29	✓	✓			LEASED PROPERTY
H.30	✓	✓			HANDLING, STORAGE AND DISPOSAL OF ABANDONED PROPERTY AND HAZARDOUS MATERIALS (HAZMAT)
H.31	✓	✓			REQUIREMENTS AND DUTIES FOR HANDLING SENSITIVE SECURITY INFORMATION (SSI)
H.32	✓	✓			VARIATION IN ESTIMATED QUANTITY
H.33	✓	✓			OPTION TO EXTEND SERVICES
H.34	✓	✓			PROTESTS BEFORE AWARD

## **H.1 DISSEMINATION OF INFORMATION**

a. Any TSA Information made available or to which access is provided, and which is marked or should be marked “Official Use Only”, shall be used only for the purpose of carrying out the provisions of this contract and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Disclosure to anyone other than an officer or employee of the contractor or subcontractor at any tier shall require prior written approval of the TSA. Requests to make such disclosure should be addressed to the TSA contracting officer.

b. Each officer or employee of the contractor or subcontractor at any tier to whom “Official Use Only” information may be made available or disclosed shall be notified in writing by the contractor that “Official Use Only” information disclosed to such officer or employee can be used only for the purpose and to the extent authorized herein, and that further disclosure of any such “Official Use Only” information, by any means, for a purpose or to an extent unauthorized herein, may subject the offender to criminal sanctions imposed by 18 U.S.C. Sections 641 and 3571. Section 641 of 18 U.S.C. provides, in pertinent part, that whoever knowingly converts to his use or the use of another, or without authority sells, conveys, or disposes of any record of the United States or whoever receives the same with the intent to convert it to his use or gain, knowing it to have been converted, shall be guilty of a crime punishable by a fine or imprisoned up to 10 years or both.

c. The Contractor shall comply with 6 C.F.R. Part 5 (effective January 27, 2003) concerning the production or disclosure of official information in connection with legal proceedings including

litigation to which TSA and/or the Department of Homeland Security is not a party. If the contractor is served with subpoenas, summonses, and/or demands for official information or action, the contractor shall contact the contracting officer immediately and obtain written approval by the appropriate approval officials before any such information, documents or testimony may be produced.

d. The Contractor shall not publish, permit to be published, or distribute for public consumption any information, oral or written, concerning the results or conclusions made pursuant to the performance of this contract, without the prior written consent of the Contracting Officer. This statement includes seminars, professional society meeting/conferences and meetings with foreign dignitaries both government and from the private sector. Two copies of any material proposed to be published or distributed shall be submitted to the Contracting Officer. The following schedule is established as a guideline when requesting consent (calendar days):

Written information	- 15 days
Oral information	- 15 days
Congressional information	- 10 days

e. Any Contractor proposals for perspective work, exclusive of this contract, for which the Contractor may employ information generated in the performance of this contract, the Contractor is required only to notify the Contracting Officer of its intent to submit a proposal. Such notification shall include a brief description of the requirement for which the Contractor is proposing and indicate the Government or business activity to which the proposal is being submitted.

f. The Government intends to use electronic commerce methods to the maximum extent practicable for TOs.

g. TSA intends to utilize various contractors in accomplishing its mission. As such, there shall be a high degree of interfacing between these contractors. It is understood that in the execution of this contract, the Contractor may come in contact with Government procurement sensitive information or proprietary business information from other contractors. As such, in this role as an official Government contractor, the Contractor shall certify (as evidenced by signature on this agreement) that it will not disclose, publish, divulge, release, or make known, in any manner or to any extent, to any individual other than an appropriate or authorized Government employee, the content of any procurement sensitive or proprietary business information from other Contractors during the course of this contract. It is understood that for the purpose of this Clause, procurement sensitive information is to include, but not limited to, procurement data, contract information, plans, and strategies.

h. The Contractor specifically will not disclose any such information to employees of the Contractor who have not worked under this contract and who are not authorized to receive such information. The Contractor will take all reasonable precautions to prevent the unauthorized disclosure and use of such information.

- i. The Contractor shall fully and completely observe these directives and will not disclose such information to any unauthorized person, or use any information obtained for private use or gain at any time, including subsequent to the performance of duties under the subject contract.
- j. The Contractor shall include this clause in each of its subcontracts.
- k. The Contractor shall have the responsibility to enter into such agreements and nondisclosure statements with other Government contractors, as TSA deems necessary to execute the work under this contract and allow these Government contractors access to the Contractors' technical documentation, data, and/or software as defined under data rights clauses under this contract.

(End of clause)

## **H.2 ORDERING PROVISIONS**

The following ordering procedures apply to the Option CLINs 0002, 0005, 0008, 0011, and 0014. Any supplies and/or services to be furnished under these CLINs will be ordered by issuance of written Task Orders (TO). In addition:

- a. Only an authorized Government Contracting Officer can issue a TO under this contract.
- b. All TOs are subject to the terms and conditions of the contract. In the event of conflict between a TO and the contract, the terms in the contract will take precedence.
- c. All costs associated with preparation, presentation, and/or discussion of a TO proposal shall be at the Contractor's expense. The most appropriate method for recovering such costs (e.g., direct or indirect charges to Task Orders) must be based on standard accounting practices and in accordance with a company's disclosure statement.
- d. No work will be performed and no payment will be made except as authorized by a TO.

(End of clause)

## **H.3 PLACEMENT OF ORDERS**

- 1) Delivery or performance on Option CLINs 0002, 0005, 0008, 0011, and 0014 shall be made only as authorized by written TOs issued in accordance with this clause.
  - a) The Contractor shall develop a TO response to the TO RFP; generally, the

Contractor shall be given 5 - 14 days to prepare the response. In addition to any technical and/or management approach proposed (if requested), the Contractor shall, for cost/price purposes, provide the staffing levels, labor categories and minimum rates. Additionally:

- i) other direct costs as applicable (hardware, software, subcontractor, travel, etc.); and
  - ii) an appropriate rate of fee/profit depending on the risk associated with the TO (e.g., contractual arrangement (i.e., T&M) , the nature of work in the TO).
- b) The Government shall evaluate the Contractor's TO proposal and determine whether or not to award a TO for the option CLIN.

(End of clause)

#### **H.4 QUALIFIED PRIVATE SCREENING COMPANIES**

(a) The Aviation Transportation Security Act (ATSA) requires screening companies to be qualified private companies and provides the qualification criteria for the private security screening programs (*see generally 49 U.S.C. §44920*). Pursuant to the ATSA, the entity must:

- (1) be a private company,
- (2) employ individuals that meet all the requirements applicable to Federal Government personnel who perform screening services,
- (3) provide compensation and other benefits to such individuals that are not less than the level of compensation and other benefits provided to Federal Government personnel,
- (4) provide a level of screening services and protection equal to or greater than the level that would be provided at the airport by Federal Government personnel, and
- (5) the private company must be owned and controlled by a citizen of the United States, to the extent that the Under Secretary determines that there are private screening companies owned and controlled by such citizens (*id*). ATSA specifically defines qualification of private screening companies to be owned and controlled by a citizen of the United States.

(b) Qualified Private Screening Company must be also be “owned and controlled by a citizen of the United States”. TSA also interprets ATSA to require that a qualified private screening company be a private entity that is:

- (1) a partnership of which each member is U.S. citizen, or
- (2) a corporation or association organized under the laws of the United States or a

State, the District of Columbia or a territory or possession of the United States, of which the president and at least two-thirds of the board of directors and other managing officers are citizens of the United States and in which at least 75 percent of the voting interest is owned **and** controlled by persons that are citizens of the United States.

(c) The Contractor agrees to comply with the information as provided above.

(End of clause)

## **H.5 CERTIFICATION-COMPANY OWNED AND CONTROLLED BY U.S. CITIZENS**

The Contractor shall certify that the company is U.S. owned and controlled as per Section H clause, "Qualified Private Screening Companies" and will remain under ownership and control by United States Citizens over the term of this agreement. This certification is included under Section K of this contract.

The Contracting Officer shall be immediately notified of any changes, or prospective changes, to U.S. control and ownership of the company.

Failure to comply with the terms of this clause can result in termination of the agreement, a zero (0) award fee determination, and the application of other penalties as allowed under law.

(End of clause)

## **H.6 U.S. CITIZENS AND USE OF FOREIGN NATIONALS AND ALIENS ON TSA CONTRACTS**

(a) For all screeners, lead screeners, and supervisory screeners, the contractor agrees to only employ U.S. Citizens. Only US Citizens are permitted to perform in positions that involve access to or development of any TSA IT Systems.

(b) For all other employees not listed above, the contractor agrees to the following. (a) Each employee of the Contractor, engaged in performing work on this contract or that will have access to information of a sensitive nature, shall be a citizen of the United States of America. Legal Permanent Residents (LPR's), or an alien who has been lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form I-151, or who presents other evidence from the Immigration and Naturalization Service that employment will not affect his/her immigration status may work on the contract, however LPR's are not permitted to access or assist in the development, operation, management or maintenance of TSA IT Systems.



(c) ALIENS AND FOREIGN NATIONALS PROPOSED UNDER THIS CONTRACT MUST MEET THE FOLLOWING CONDITIONS IN ACCORDANCE WITH TSA PROCEDURES:

- (1) must have resided within the United States for 3 of the last 5 years unless a waiver of this requirement is requested and approved by the TSA SSO,
  - (2) a risk or sensitivity level designation can be made for the position; and
  - (3) the appropriate security screening can be adequately conducted
- (d) If DHS or other Federal agencies order services under this contract and their security requirements are different than those delineated above, the contract will be modified accordingly to address the specific security requirements.
- (e) Failure to comply with the terms of this clause may lead to termination of this agreement, a zero (0) award fee determination, and application of other penalties as allowed under law.

(End of clause)

#### **H.7 AVIATION AND TRANSPORTATION SECURITY ACT REQUIREMENTS**

The contractor shall comply with all requirements of Public Law 107-71, the “Aviation and Transportation Security Act.”

(End of clause)

#### **H.8 PRE-EMPLOYMENT SECURITY SCREENING OF CONTRACTOR EMPLOYEES (TSA 3.14.6)(JUL 2004)**

- (a) This clause pertains to non-screener status Contractor personnel. TSA Background Investigation requirements and other Suitability Standards pertaining to contract screener personnel can be located in Appendix 5 of this contract.
- (b) All employees assigned to work in a Transportation Security Administration (TSA) facility, inclusive of TSA facilities within airports nationwide, under this contract will be required to undergo a pre-employment security screening investigation prior to being permitted to report to work. The Contractor shall ensure that each employee meets the following criteria:

- (1) Contractor employees must be US Citizens or Legal Permanent Residents. Only US Citizens can access TSA’s Information Technology (IT) Systems.
- (2) Contractor employees must undergo a favorable Background Investigation.

(c) The following Background Investigation Security Paperwork must be completed by the contractor employee and given to the Contracting Officer's Technical Representative (COTR) at least thirty-five (35) days prior to the employment start date:

(1) Standard Form (SF) 86, Questionnaire for National Security. (The SF 86 is available at [www.opm.gov](http://www.opm.gov) under standard forms.)

(2) Form FD 258, Fingerprint Cards. (Two (2) original Fingerprint Cards are required to be completed and signed by the person taking the fingerprints. Fingerprints can be taken by local law enforcement agencies.)

(3) TSA Form 2201, Fair Credit Reporting Act Form.

(d) The COTR will submit the Background Investigation Security Paperwork to the TSA Credentialing Program Office (CPO). This submission must take place at least thirty (30) days prior to the employment start date.

(e) When a contractor employee voluntarily or involuntarily leaves his/her employment under a contract with TSA, the contractor must obtain and return the contractor employee's badge to the COTR on the contractor employee's last day of work at a TSA facility, inclusive of all airports nationwide. The COTR will return the contractor employee's badge to the Office of Security, Physical Security Division.

(f) As stated above, contractor employees requiring staff-like access to TSA facilities on a recurring basis (more than 14 days per year) must have a favorably adjudicated fingerprint based criminal history record check, credit check and search of the Office of Personnel Management, Security/Suitability Investigations Index, prior to being issued a permanent TSA Headquarters photo access pass. COTRs should advise the Office of Security, Physical Security Division, if the contract on which the contractor is working will last 90 days or less. Record checks may be conducted prior to or concurrently with a National Agency Check and Inquiries and Credit (NACIC) investigation. The NACIC is the minimum investigative standard for TSA contractor employees.

(g) Contractor employees requiring temporary facility access for one to fourteen days or facility maintenance, routine delivery, etc., require only a fingerprint check and/or National Crime Information Center (NCIC) records check.

(h) A contractor that participates in the National Industrial Security Program (NISP) may, through their COTR certify, in writing, that their employees have met the standard defined in Paragraph B. above.

(End of clause)

## **H.9 KEY PERSONNEL AND FACILITIES (TSA 3.8.2.17)(FEB 2003)**

(a) The personnel and/or facilities as specified below are considered essential to the work being performed hereunder and may, with the consent of the contracting parties, be changed from time to time during the course of the contract.

(b) Prior to removing, replacing, or diverting any of the specified personnel and/or facilities, the Contractor shall notify in writing, and receive consent from, the Contracting Officer reasonably in advance of the action and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on this contract.

(c) No diversion shall be made by the Contractor without the written consent of the Contracting Officer.

(d) The key personnel and/or facilities under this contract are:

<b>Name*</b>	<b>Position*</b>

\*To be filled in at contract award.

(End of clause)

#### **H.10 REASSIGNMENT AND REPLACEMENT OF CONTRACTOR PERSONNEL**

The Government reserves the right to request that the Contractor reassign contractor employees whose continued use under the contract is deemed contrary to the best interests of the Government. The Contracting Officer will give notice of such reassignment in writing.

In the event the Contractor finds it necessary to replace any of the assigned personnel during the performance of this contract, the Contracting Officer and Contracting Officer's Representative shall be notified in writing. In cases of Contractor initiated reassignment of personnel, notice shall be provided at least fifteen (15) calendar days prior to reassignment. Replacement personnel shall meet or exceed the qualifications of the originally assigned personnel. Costs of reassignment, relocation and other benefits associated with removal of an employee found to be ineligible or unsuitable for employment on this contract, as determined by TSA, shall not be allowable costs under this contract.

(End of clause)

## **H.11 IDENTIFICATION OF CONTRACTOR EMPLOYEES AT GOVERNMENT FACILITIES**

(a) During the period of this contract, the rights of ingress and egress to and from any office for Contractor representatives shall be made available as necessary to perform this contract. All contractor employees, whose duties under this contract require their presence at any Department of Homeland Security (DHS) facility, or any other Government facility, or a facility operated for DHS, or other Government agencies under contract, shall be clearly identifiable by a distinctive badge furnished by the Government. All prescribed information shall immediately be delivered to the TSA Security Office for cancellation or disposition upon the termination of the employment of any Contractor personnel. All on-site contractor personnel are responsible for adherence to the security regulations applicable to that site.

(b) The Contractor shall comply with the following TSA Management Directives, as applicable:

1. TSA Management Directive No. 2800.7, Issuance of TSA Headquarters Photo Access Pass
2. TSA Management Directive No. 2800.61, TSA Headquarters Access Control.

(End of clause)

## **H.12 GOVERNMENT ISSUED KEYS, IDENTIFICATION BADGES, AND VEHICLE DECALS (TSA 3.14.4) (JUL 2002)**

(a) It may become necessary for the Government to issue keys, identification (ID) cards, vehicle decals, and/or access control cards to contractor employees. Prior to or upon completion or termination of the work required hereunder, the contractor shall return all such Government-issued items to the issuing office with notification to the Contracting Officer's Representative (COR). When contractor employees who have been issued such items are terminated or no longer required to perform the work, the Government-issued items shall be returned to the Government within three workdays or upon termination of the contract or the employee. Improper use, possession or alteration of TSA issued keys, ID cards and/or vehicle decals is subject to penalties under 18, U.S.C. §§499, 506, and 701.

(b) In the event such keys, ID cards, or vehicle decals are not returned, the contractor understands and agrees that the Government may, in addition to any other withholding provision of the contract, **withhold \$500.00** for each key, ID card, and vehicle decal not returned. If the keys, ID cards, or vehicle decals are not returned within 30 days from the date the withholding action was initiated, any amount so withheld will be forfeited by the contractor.

(c) Access to aircraft ramp/hangar areas is authorized only to those persons displaying a

flight line identification card and for vehicles, a current ramp permit issued pursuant to Part 107 of the Federal Aviation Regulation (FAR).

(d) The Government retains the right to inspect inventory, or audit ID cards, keys, vehicle decals, and access control cards issued to the contractor in connection with the contract at the convenience of the Government. Any items not accounted for the satisfaction of the Government shall be assumed to be lost and the provisions of section (b) shall apply.

(e) Keys shall be obtained from the COTR who will require the contractor to sign a receipt for each key obtained. Lost keys, ID cards, vehicle decals, and access control cards shall immediately be reported concurrently to the Contracting Officer (CO), COTR, and local security division/staff. **(Contact the CO or COTR for security contact information.)** Electronic keying cards are handled in the same manner as metal keys.

(f) Each contract employee, during all times of on-site performance at the **location identified in the order and at all Government facilities** shall prominently display his/her current and valid identification card on the front portion of his/her body between the neck and waist.

(1) Prior to any contractor employee obtaining any ID media or vehicle decals, the contractor shall submit complete documentation required under clause "Security Requirements" and shall be authorized to begin work by the Servicing Security Element (SSE) located at:

TSA Headquarters, East Building, 8<sup>th</sup> floor, 601 South 12<sup>th</sup> Street, Arlington, Virginia 22202-4220.

(2) To obtain the ID card, contractor employee shall submit an identification Card/Credential Application (may be requested from CO or COTR) signed by the contractor employee and authorized by the CO or the COTR. The application shall be submitted at the same time the personnel security investigation paperwork is submitted. This paperwork shall be submitted to [Stanley.Kee@tsa.dot.gov](mailto:Stanley.Kee@tsa.dot.gov) or [Rafael.scott@tsa.dot.gov](mailto:Rafael.scott@tsa.dot.gov) with a copy to [CredentialBadgeCustS@tsa.dot.gov](mailto:CredentialBadgeCustS@tsa.dot.gov). (See CO or COTR for appropriate contact.)

(3) The Contractor's project manager shall receive and sign for each ID card issued.

(4) The contractor is responsible for ensuring final out-processing is accomplished for all departing contractor employees. Final out-processing will be accomplished by close of business the final workday of the contractor employee or the next day under special conditions. The Manifest-ID Badge and/or Credential Return List shall be used to return ID's for employees who are deceased, terminated/resigned, transferred, damaged ID's, name changes, etc., and shall be completed by the contractor and copies distributed after completion to the COTR and CO and to the CPO's office. Along with the manifest, the ID's must be enclosed and sent via FedEx to: Credentialing/Badging Section-CPO, 601 South 12<sup>th</sup> Street, 8<sup>th</sup> Floor,

Arlington, VA 22202. Contact phone: 571-227-1473.

- (5) The CPO Lost Asset ID Report shall be used to report the loss or theft of an ID card. The report shall be faxed to the CPO office at: 703-603-0401 no later than 24 hours after the incident, with a copy to the COTR and CO. On the request, there is a box to indicate whether or not a replacement is requested; therefore, for lost and/or stolen ID's, a separate request for an ID is not required. The loss and/or theft must also be reported to the TSOC.

(End of clause)

### **H.13 SERVICE CONTRACT ACT APPLICABILITY**

(a) Screeners, Lead Screeners, and Supervisory Screeners: Screeners, Lead Screeners, and Supervisory Screeners are exempt from the Service Contract Act (TSA clause 3.6.2-28), the SCA Minimum Wages and Fringe Benefits clause (TSA clause 3.6.2-32), and the Statement of Equivalent Rates for Federal Hires (TSA clause 3.6.2-29).

(b) Non-screener personnel: For non screener employees, the Contractor shall comply with the applicable wage determinations for its performance location. The applicable wage determinations may be found in Section J.

(End of clause)

### **H.14 NON-PERSONAL SERVICES**

(a) As stated in the Federal Register, Volume 57, No. 190, page 45096, dated September 30, 1992, Policy Letter on Inherently Government Functions, no personal services shall be performed under this contract. No Contractor employee will be directly supervised by a Government employee. All individual contractor employee assignments, and daily work direction, shall be given by the applicable employee supervisor. If the Contractor believes any Government action or communication has been given that would create a personal services relationship between the Government and any Contractor employee, the Contractor shall promptly notify the Contracting Officer of this communication or action.

(b) No Contractor employee shall hold him or herself out to be a Government employee, agent, or representative. No Contractor employee shall state orally or in writing at any time that he or she is acting on behalf of the Government. In all communications with third parties in connection with this contract, Contractor employees shall identify themselves as Contractor employees and specify the name of the company for which they work. In all communications with other Government contractors in connection with this contract, the Contractor employee shall state that they have no authority to in any way change the contract and that if the other contractor believes this communication to be a direction to change their contract, they should notify the Contracting Officer for that contract and not carry out the direction until a clarification has been issued by the

Contracting Officer.

(c) The Contractor shall insure that all of its employees working on this contract are informed of the substance of this clause. Nothing in this clause shall limit the Government's rights in any way under any other provision of the contract, including those related to the Government's right to inspect and accept the services to be performed under this contract. The substance of this clause shall be included in all subcontracts at any tier.

(End of clause)

## **H.15 CONTRACTOR RESPONSIBILITIES**

(a) The Contractor shall provide all management, administrative, clerical, and supervisory functions required for the effective and efficient performance of this contract.

(b) A smooth and orderly transition between the Contractor and a predecessor or successor Contractor is necessary to ensure minimum disruption to vital Government business. The Contractor shall cooperate fully in the transition.

(c) The Contractor shall adhere to the same professional and ethical standards of conduct required of Government personnel. The Contractor shall not:

- (1) Discuss with unauthorized persons any information obtained in the performance of work under this contract;
- (2) Conduct business not directly related to this contract on Government premises;
- (3) Use computer systems and/or other Government facilities for company or personal business other than work related; or
- (4) Recruit on Government premises or otherwise act to disrupt official Government business.

(d) The Contractor shall comply with, and implement all current and future Transportation Security Administration (TSA) Standard Operating Procedures (SOPs), directives, policies, and updates to TSA policies and applicable Department of Homeland Security (DHS) SOPs, directives, policies and updates, as directed by the Contracting Officer or Contracting Officer's designee.

(End of clause)

## **H.16 PASSENGER AND BAGGAGE CLAIMS**

(a) While the TSA wants to ensure that claims of passengers at airports are dealt with

fairly and promptly, the resolution of passenger and baggage claims is a matter of state law and must be resolved between the contractor and the claimant. If a claimant files a claim with the TSA, it will be referred to the contractor for processing. The Contractor will then process all passenger and baggage claims in accordance with state tort law. See Section H clause “Contractor Responsibilities” for other related information.

(b) In accordance with the Section H Clause “Liability”, the limitation of liability under the Federal Tort Claims Act (FTCA) specifies that TSA will not pay for claims under the contract unless TSA employees are at fault. The FTCA creates liability only for acts or omissions of an employee of the Government “while acting within the scope of his office or employment.” See 28 U.S.C. § 1346(b). Except as covered by the FTCA, the payment of claims is not an allowable cost directly or indirectly under the contract.

(c) The Contractor shall insert a Notice of Inspection (NOI) into a passenger’s baggage if it is selected for search. The Contractor shall obtain approval from TSA regarding the content of the notice before using the NOI. The NOI shall not reference TSA or contain any TSA insignia. The NOI shall reference the contract as the authority under which inspection of passenger baggage is authorized. The NOI shall provide information on how to obtain a claim submission form, which shall be a Contractor-created form separate from the Standard Form 95.

(d) TSA reserves the right to audit the Contractor’s claims processing at any time.

(e) TSA provides the following guidance when dealing with claims:

1. Hold claim information for a minimum of two years.
2. Support a claim resolution period of 60 days, with the exception of extraordinary circumstances, i.e. further adjudication.
3. Claims plan shall include reconsideration or appeals procedures.
4. Claims plan shall cover claims for lost or damaged personal property as well as claims for personal injury or wrongful death.

(End of clause)

#### **H.17 INSURANCE (*APPLICABLE ONLY AFTER AWARD*)**

(a) The Contractor shall secure, pay the premiums for and keep in force until the expiration of this contract, and any renewal thereof, adequate insurance, such insurance to specifically include liability assumed by the Contractor under this contract. The Support of Anti-terrorism by Fostering Effective Technologies Act of 2002, Subtitle G of Title VIII of the Homeland Security Act of 2002 (§§ 861-65)], called the “SAFETY Act,” applies to terrorist acts as defined in the Act. Where the SAFETY Act designation and/or certification applies, contractors must maintain insurance levels required for certification under the Act as determined by the Department of Homeland Security (DHS).

(b) Except as otherwise required by DHS for SAFETY ACT coverage, the Contractor



shall provide and maintain workers' compensation, employer's liability, comprehensive general liability (bodily injury), comprehensive automobile liability (bodily injury and property damage) insurance, and such other insurance as TSA may require under this contract as follows:

- (1) Workman's compensation insurance as required by law of the State.
- (2) Comprehensive bodily injury liability insurance with limits of not less than \$500,000 for each accident.
- (3) Property damage liability with a limit of not less than \$100,000 for each accident.
- (4) Automotive bodily injury liability insurance with limits of not less than \$200,000 for each person and \$500,000 for each accident, and
- (5) Property damage liability insurance, with a limit of not less than \$40,000 for each accident.

(c) The Contractor may, with the approval of the Contracting Officer, maintain a self-insurance program; provided that, with respect to workers' compensation, the Contractor is qualified pursuant to statutory authority.

(d) All insurance required by this paragraph shall be in a form and amount and for those periods as the Contracting Officer may require or approve and with insurers approved by the Contracting Officer.

(e) Each policy of insurance shall contain an endorsement that any cancellation or material change in the coverage adversely affecting the Government's interest shall not be effective unless the insurer or the contractor gives written notice of cancellation or change, as required by the Contracting Officer. When the coverage is provided by self-insurance, the Contractor shall not change or decrease the coverage without the Contracting Officer's prior approval.

(f) The Contractor agrees to submit for the Contracting Officer's approval, to the extent and in the manner required by the Contracting Officer, any other insurance that is maintained by the Contractor in connection with the performance of this contract and for which the Contractor seeks reimbursement of insurance premiums.

(g) The Contractor shall be reimbursed:

For that portion (i) of the reasonable cost of insurance allocable to this contract, and (ii) required or approved under this clause; the cost of premiums may be adjusted upward or downwards based on SAFETY ACT designation and/or certification. Contractor will not be reimbursed directly or indirectly the amount of any insurance deductible.

(h) The Contractor shall not be reimbursed for liabilities (and expenses incidental to such liabilities)-

- (1) For which the Contractor is otherwise responsible under the express terms of any clause specified in the "Schedule" or elsewhere in the contract;
- (2) For which the Contractor has failed to insure or to maintain insurance as

required by the Contracting Officer; or

(3) That result from willful misconduct or lack of good faith on the part of any of the Contractor's directors, officers, managers, superintendents, or other representatives who have supervision or direction of:

(i) All or substantially all of the Contractor's business;

(ii) All or substantially all of the Contractor's operations at any one plant or separate location in which this contract is being performed; or

(iii) A separate and complete major industrial operation in connection with the performance of this contract.

(i) The provisions of paragraph (h) of this clause shall not restrict the right of the Contractor to be reimbursed for the cost of insurance maintained by the Contractor in connection with the performance of this contract, other than insurance required in accordance with this clause; provided, that such cost is allowable under the Allowable Cost and Payment clause of this contract and the cost of the insurance has been approved in advance by the TSA Contracting Officer.

(End of clause)

## **H.18 LIABILITY**

(a) Notwithstanding any other clause to the contrary, the Contractor shall save and hold harmless and indemnify the Federal Government against any and all liability, claims, and costs of whatever kind and nature for injury to or death of any person or persons and for loss or damage to any property occurring in connection with, or in any way incident to, or arising out of, the occupancy, use, service, operations, or performance of work under the terms of this contract, resulting in whole or in part from the negligent acts or omissions of the Contractor

(b) TSA is not authorized to grant indemnification under Public Law 85-804. The TSA will not indemnify the contractor nor any subcontractors, directly or indirectly. Furthermore, the Federal Government shall not be liable for any injury to the Contractor's personnel or damage to the Contractor's property unless such injury or damage is due to negligence on the part of the Federal Government employees and is recoverable under the Federal Torts Claims Act, or pursuant to another Federal statutory authority. The Government will be liable only to the extent liability exists under the Federal Torts Claim Act. See 28 U.S.C. § 1346(b) and 28 U.S.C. §§ 2671-2680.

(c) The Support of Anti-terrorism by Fostering Effective Technologies Act of 2002, Subtitle G of Title VIII of the Homeland Security Act of 2002 (§§ 861-65)], called the "SAFETY Act," provides a limitation of liability for sellers of Qualified Anti-Terrorism Technology (QATT) from terrorist acts as defined in the Act. It is the responsibility of the Contractor to apply for SAFETY Act coverage through the Department of Homeland Security to limit liability for terrorist acts. DHS has prepared a SAFETY Act application

kit that can be found at [www.safetyact.gov](http://www.safetyact.gov). Application forms also are available by mail: Department of Homeland Security, ATTN: SAFETY Act, 245 Murray Lane, Building 410, Washington, DC 20528.

(End of clause)

#### **H.19 EQUAL OPPORTUNITY PREAWARD CLEARANCE OF SUBCONTRACTS (TSA 3.6.2.10)(NOV 1997)**

Notwithstanding the Section I clause 3.10.2.1, Subcontracts (Fixed-Price Contracts), the Contractor shall not enter into a first-tier subcontract for an estimated or actual amount of \$10 million or more without obtaining in writing from the Contracting Officer a clearance that the proposed subcontractor is in compliance with equal opportunity requirements and therefore is eligible for award.

(End of clause)

#### **H.20 SUBCONTRACT FLOW-DOWN**

All terms and conditions of this contract shall apply to all subcontracts of any tier that are directly or indirectly involved in the performance of this contract.

(End of clause)

#### **H.21 TECHNICAL DIRECTION**

(a) Performance of the work under this contract is subject to the written technical direction of the Contracting Officer Technical Representative (COTR), who shall be specifically appointed by the Contracting Officer. "Technical direction" means a directive to the Contractor that approves approaches, solutions, designs, or refinements; fills in details or otherwise completes the general description of work or documentation items; shifts emphasis among work areas or tasks; or furnishes similar instruction to the Contractor. Technical direction includes requiring studies and pursuit of certain lines of inquiry regarding matters within the general tasks and requirements in Section C of this contract.

(b) Technical direction must be within the scope of work stated in the contract. The COTR does not have the authority to, and shall not, issue any technical direction that—

- (1) Constitutes an assignment of additional work outside the statement of work;
- 11) (2) Constitutes a change as defined in the changes clause;
- (3) Constitutes a basis for any increase or decrease in the total contract effort or

contract value, i.e. cost, price, fixed fee, or award fee, or the time required for contract performance;

(4) Changes any of the expressed terms, conditions, or specifications of the contract; or

11)(5) Interferes with the Contractor's rights to perform the terms and conditions of the contract.

(c) All technical direction should be issued in writing by the COTR. For the applicable order, time permitting. When a short turnaround time is required, the COTR may issue technical direction verbally. Any verbal direction shall be followed by fax direction within 24 hours.

(d) The Contractor shall proceed promptly with the performance of technical direction duly issued by the COTR in the manner prescribed by this clause and within the COTR's authority. If, in the Contractor's opinion, any instruction or direction by the COTR falls within any of the categories defined in paragraph (b) above, the Contractor shall not proceed but shall notify the Contracting Officer in writing within 5 working days after receiving it and shall request the Contracting Officer to take action as described in this clause. Upon receiving this notification, the Contracting Officer shall either issue an appropriate order modification within a reasonable time or advise the Contractor in writing within 30 days that the instruction or direction is—

(1) Rescinded in its entirety; or

(2) Within the requirements of the contract and does not constitute a change under the changes clause of the contract, and that the Contractor shall proceed promptly with its performance.

(e) A failure of the Contractor and Contracting Officer to agree that the instruction or direction is both within the requirements of the contract and does not constitute a change under the changes clause, or a failure to agree upon the contract action to be taken with respect to the instruction or direction, shall be subject to the Disputes clause of this contract.

(f) Any action(s) taken by the Contractor in response to any direction given by any person other than the Contracting Officer or the COTR shall be at the Contractor's risk.

(End of clause)

## **H.22 DETERMINATION OF AWARD FEE**

The Government shall administer and determine the award fee provisions of this contract in accordance with the Performance Evaluation Plan contained in Section C.8.

(End of clause)

## **H.23 SECTION 508 STANDARDS**

The Rehabilitation Act of 1973, as amended, insures that Federal employees with disabilities will be able to use information technology to do their jobs and that members of the public who are seeking information from Federal sources will be able to use information technology to access the information on equal footing with people who do not have disabilities. Information on the Section 508 standards can be viewed at [www.section508.gov](http://www.section508.gov). Work performed under this contract will be subject to compliance with the standards in effect as of the date of contract award.

(End of clause)

## **H.24 TYPE OF CONTRACT**

### **Fixed Price Award Fee**

This contract is issued on a Fixed Price Award Fee Basis, with Option CLINs (0002, 0005, 0008, 0011, and 0014) that are on a Time & Materials basis.

### **Cost Plus Award Fee**

(a) Orders under this agreement will be issued on a Cost Plus Award Fee basis, with Option CLINs that are on a Time & Materials basis.

(b) Only firms with Defense Contract Audit Agency (DCAA) approved accounting systems are eligible for award of a cost-reimbursement contract. See also Section I cost reimbursement clauses, TSA 3.2.3.2, Cost Accounting Standards; TSA 3.2.3.3, Disclosure and Consistency of Cost Accounting Practices; and TSA 3.2.3.5, Administration of Cost Accounting Standards.

(End of clause)

## **H.25 SEVERANCE PAY**

In conjunction with Section I clause, TSA Cost Principles, (see FAA Contract Cost Principles, Contracts with Commercial Organizations, Section 2 (e), paragraph 4 (g)), the severance pay cost shall not exceed 40 hours pay for each year of employment per employee up to a maximum of 80 hours per eligible employee. Severance cost eligibility computation for reimbursement shall also be limited to only the period of employment on the service contract with the Transportation Security Administration (TSA). In no event shall the Government reimburse the Contractor for severance cost for employees who voluntarily accept employment in place with the succeeding contractor within ninety (90) days after completion of the current contract or as described in the H clause.

(End of clause)

## **H.26 SMALL BUSINESS SUBCONTRACTING PLAN**

Large business contractors shall submit a Small Business Subcontracting Plan as part of their submittal for this contract. This plan, once approved by the Contracting Officer, will be incorporated into this contract under Section J.

(End of clause)

## **H.27 ORGANIZATIONAL CONFLICTS OF INTEREST (February 2003)**

(a) By submitting an offer or proposal the offeror or Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest (OCI), as defined in the TSA Acquisition Management System, "Organizational Conflicts of Interest", or that the Contractor has disclosed all such relevant information.

(b) The offeror or Contractor agrees that if an actual or potential OCI is discovered after award, the Contractor shall make a full disclosure in writing to the Contracting Officer. The disclosure shall include a mitigation plan describing actions the Contractor has taken or proposes to take, to avoid, mitigate, or neutralize the actual or potential conflict. Changes in the Contractor's relationships due to mergers, consolidations or any unanticipated circumstances may create an unacceptable organizational conflict of interest might necessitate such disclosure. (c) The TSA reserves the right to review and audit OCI mitigation plans as needed after award, and to reject mitigation plans if the OCI, in the judgment of the Contracting Officer cannot be avoided, or mitigated.

(d) The Contracting Officer may terminate this contract for convenience in whole or in part, if it deems such termination necessary to avoid an OCI. If the Contractor was aware of a potential OCI prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate this contract for default, debar the Contractor from government contracting, or pursue such other remedies as may be permitted by law or this contract.

(e) The Contractor further agrees to insert provisions which shall conform substantial to the language of this clause including this paragraph (d) in any subcontract or consultant agreement hereunder.

(End of clause)

## **H.28 REPRESENTATIONS AND CERTIFICATIONS**

Part IV of the Uniform Contract Format shall not be physically included in the contract, but Section K, Representations, Certifications, and Other Statements of Offerors shall be

deemed incorporated by reference in the contract. *Section K shall be filled out by the contractor and included as part of their proposal submission in response to the RFP.*

(End of clause)

## **H.29 LEASED PROPERTY**

TSA's Office of Real Estate sets space requirements for TSA operational use at airports. TSA will identify current space in each individual airport task order requirements. Contractors will be expected to use current government leased space at airports in most cases.

Special circumstances and situations may arise when, in the performance of the contract or subcontract, the contractor may find it necessary, to acquire a real estate interest through lease. The contractor must first submit to TSA its requirements and justification for leasing space as described below. TSA shall have sole discretion whether to grant such request.

The following procedures shall be applied to if TSA gives the contractor permission to acquire space by lease:

- (a) All leases shall be approved in advance by TSA;
- (b) The contractor shall justified all leases by submitting to TSA documentation which describes the need for the lease, the general requirements, all terms and conditions including costs in the lease, and a site investigation reports with a site recommended for selection. The contractor will ensure that the lease shall be for mission essential purposes only; that it is effective, economical, and efficiently managed and utilized; and disposed of promptly, when not needed;
- (c) Acquisition by lease, in addition to the requirements in paragraphs (a) and (b) of this section:
  - (1) May not exceed the base year contract performance period, and shall not under any circumstance be amortized over options years.
  - (2) Shall contain an appropriate cancellation clause which limits the Government's obligation to no more than the amount of rent to the earliest cancellation date plus a reasonable cancellation payment for that period as approved by TSA.
  - (3) Shall be consistent with Government laws and regulations applicable to real estate management.

(End of clause)

## **H.30 HANDLING, STORAGE AND DISPOSAL OF ABANDONED PROPERTY AND HAZARDOUS MATERIALS (HAZMAT)**

Federal Security Directors (FSD) are responsible for ensuring that all staff under their supervision understand and follow the procedures outlined in the Legal Guidance on abandoned property and Hazardous Materials. Federal Security Directors shall ensure that all procedures taken by staff under their supervision to dispose of this material comply with applicable local, state, and federal laws regulating the handling, storage, and disposal of hazardous material and waste.

TSA currently provides two sources of guidance for abandoned property and Hazardous Material:

TSA Management Directive No. 200-52 , *“Care, Handling and Disposal of Voluntarily Abandoned Personal Property Collected by TSA at Airports”*

- (a) Standard Operating Procedures for Voluntarily Abandoned Property and Hazardous Materials Disposal

The directives establish policy for the handling, storage and disposal of abandoned property and hazardous material found in TSA occupied spaces, including contractor operated screening checkpoints. Generally, Contractor screeners collect items, place them in proper receptacles and then the TSA personnel take the receptacles to the proper pick up points to be managed by an outside contractor.

(End of clause)

### **H.31 REQUIREMENTS AND DUTIES FOR HANDLING SENSITIVE SECURITY INFORMATION (SSI)**

#### **Special Instructions**

The TSA Contractor will administer and handle any Sensitive Security Information (SSI) in accordance with the procedures and policies outlined in 49 CFR Part 1520. (See Attachment J.8 for more detail.)

- (a). Requirements for Safeguarding and Control of SSI. For purposes of this Contract, all information that the TSA provides or causes to be provided to the Contractor as SSI in connection with its duties under this contract shall be covered by TSA policies and procedures for safeguarding and control of SSI, as available at [www.tsa.gov](http://www.tsa.gov) until the TSA specifically authorizes the Contractor in writing to treat any such information as public. This requirement shall be applicable to all subcontracting on the contract.
- (b). Definition of Confidential Information. In addition to the SSI defined by TSA, SSI on this contract shall also include: (1) any specifications, know-how, strategies or



technical data, processes, business documents or information, marketing research and other data, customer or client lists, or sources of information which are owned, used or possessed exclusively by or for the benefit of the TSA and based on SSI; (2) SSI-derived work product(s); (3) all SSI obtained by the Contractor from a third party in connection with performance under this contract.

(c). Duty to Maintain SSI. Except as required by any law, court order, subpoena, or by the TSA, or as required to perform Contractor's duties under this Contract, neither Contractor nor its related entities shall disclose SSI to anyone without a valid need to know, nor shall they use or allow the use of SSI to further any private interest other than those within the scope of this Contract. The Contractor shall immediately notify the TSA Contracting Officer in writing of any subpoena or court order requiring disclosure of SSI.

(End of Clause)

### **H.32 VARIATION IN ESTIMATED QUANTITY**

The contractor's staffing shall be based on the requirements as defined in this Statement of Work (SOW) at award. In the event that significant changes occur in these requirements after award, an equitable adjustment to the cost/price of this contract may be necessary. Significant changes in requirements are defined as:

1. Unusual, sudden, unplanned or unforeseen changes in air carrier activity (other than the normal peaks and valleys related to holidays, and/or seasonal changes); or
2. Significant increases/decreases, and/or significant technology enhancements to Government Furnished Equipment/Property; or
3. Significant changes in security requirements/standards, such as increases or decreases in flights, types of aircraft, passenger load or technology enhancements or limitations which TSA determines have a significant effect on the airport's screener allocation model; or,
4. Significant changes in the airport configuration.

In the event that a variation occurs in one or more of the above specific items, and the total variation deviates by 5% above or below the estimated staffing of this effort, an equitable adjustment in the cost/price of the contract may be appropriate. The equitable adjustment for the contractor or the government is based on any increase or decrease in costs due solely to the variation above 105% or below 95% of the estimated quantity of work. The equitable adjustment will be determined solely on the basis of the difference in cost/price due to the variation. The re-pricing will not include any increases and/or decreases associated with other issues unrelated to the changes listed herein.

Additionally, if the quantity variation causes an increase in the time necessary for completion, the Contractor may request, in writing, an extension of time, to be received

by the Contracting Officer within 10 days from the beginning of the delay, or within such further period as may be granted by the Contracting Officer before the date of final settlement of the contract. Upon the receipt of a written request or an extension, the Contracting Officer will review the circumstances which have impacted the schedule and adjust the completion date to the extent that, in the discretion of the Contracting Officer, the circumstances justify the extension.

(End of clause)

### **H.33 OPTION TO EXTEND SERVICES**

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor for non-screeners and adjustments to the Federal rates and benefits for screeners. (See Section B for the minimum labor rates) The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within the period specified in the Schedule.

(End of clause)

### **H.34 PROTESTS BEFORE AWARD**

Protests based upon alleged improprieties in a solicitation or a RFP that are apparent prior to bid opening or the times set for receipt of initial proposals shall be filed prior to bid opening or the times set for the receipt of initial proposals.

In procurements where proposals are requested, alleged improprieties that do not exist in the initial solicitation, but which are subsequently incorporated into the solicitation, must be protested not later than the next closing time for receipt of proposals following incorporation.

Protests before or after award are subject to the procedures of FAA Office of Dispute Resolution for Acquisitions (ODRA) codified at Part 17 of Title 14 of the Code of Federal Regulations (CFR)

(End of clause)

[END OF SECTION]

## **SECTION I: CONTRACT CLAUSES**

<b>SECTION CLAUSE NO.</b>	<b>\$</b>	<b>BUS. SIZE</b>	<b>CPAF</b>	<b>FPAF</b>	<b>TSAAMS CLAUSE NO.</b>	<b>DATE</b>	<b>TITLE</b>
I.1					3.1.1	JAN 2005	CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE
I.2	>\$50M		✓		1.13.2	JUL 2003	EARNED VALUE MANAGEMENT SYSTEM
I.3	<\$50M		✓		1.13.4	JUL 2003	COST/SCHEDULE STATUS REPORT
I.4			✓	✓	1.13.5	JUL 2003	CONTRACTOR QUALITY CONTROL
I.5			✓	✓	3.1.7.1	AUG 1997	EXCLUSION FROM FUTURE AGENCY CONTRACTS
I.6			✓	✓	3.1.7.2	FEB 2003	ORGANIZATIONAL CONFLICTS OF INTEREST
I.7			✓	✓	3.2.2.3.37	FEB 2003	NOTIFICATION OF OWNERSHIP CHANGES
I.8			✓	✓	3.2.2.3.39	JUL 2004	REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA – MODIFICATIONS
I.9			✓	✓	3.2.2.3.75	APR 2002	REQUESTS FOR CONTRACT INFORMATION
I.10			✓	✓	3.2.2.3.76	JUL 2004	REPRESENTATION- RELEASE OF CONTRACT INFORMATION
I.11			✓		3.2.4.5	FEB 2003	ALLOWABLE COST AND PAYMENT
I.12			✓	✓	3.2.4.35	FEB 2003	OPTION TO EXTEND THE TERM OF THE CONTRACT
I.13			✓	✓	3.2.4.36	JAN 2004	AWARD FEE
I.14			✓	✓	3.2.5.1	FEB 2003	OFFICIALS NOT TO BENEFIT
I.15			✓	✓	3.2.5.8	FEB 2003	WHISTLEBLOWER PROTECTION FOR CONTRACTOR EMPLOYEES
I.16			✓		3.3.1-12	FEB 2003	LIMITATION OF COST
I.17			✓		3.3.1-14	FEB 2003	LIMITATION OF FUNDS
I.18			✓	✓	3.3.2.1	FEB 2003	TSA COST PRINCIPLES
I.19		See Note	✓	✓	3.6.1.9	FEB 2003	MENTOR PROTOGE PROGRAM (NOTE: FOR CONTRACTS WITH SUBCONTRACTING PLANS AND SMALL BUSINESS SET-ASIDES OVER \$5M)
I.20			✓	✓	3.6.1.10	JAN 1999	EVALUATION OF CONTRACTOR PARTICIPATION IN THE TSA MENTOR PROTÉGÉ PROGRAM
I.21		See Note	✓	✓	3.6.1.11	FEB 2003	MENTOR REQUIREMENTS AND EVALUATION (NOTE: FOR CONTRACTORS CHOOSING TO ENTER THE MENTOR-PROTÉGÉ PROGRAM.)
I.22			✓		3.6.2.17	FEB 2003	PAYMENT FOR OVERTIME PREMIUMS
I.23			✓	✓	3.6.2.35	FEB 2003	PREVENTION OF SEXUAL HARASSMENT
I.24			✓	✓	3.6.3.15	FEB 2003	MATERIAL REQUIREMENTS
I.25			✓	✓	3.10.1.24	FEB 2003	NOTICE OF DELAY
I.26			✓	✓	3.10.1.25	JAN 2003	NOVATION AND CHANGE-OF-NAME AGREEMENTS
I.27			✓		3.10.2.2	FEB 2003	SUBCONTRACTS – COST REIMBURSEMENT AND CEILING PRICED CONTRACTS
I.28			✓	✓	3.10.2.6	FEB 2003	SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS
I.29			✓		3.11.65	FEB 2003	SUBMISSION OF COMMERCIAL TRANSPORTATION BILLS TO THE GENERAL

SECTION CLAUSE NO.	\$	BUS. SIZE	CPAF	FPAF	TSAAMS CLAUSE NO.	DATE	TITLE
							SERVICES ADMINISTRATION FOR AUDIT
I.30			✓	✓	3.13.5	FEB 2003	SEAT BELT USE BY CONTRACTOR EMPLOYEES
I.31			✓	✓		DEC 2004	NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES

#### CLAUSE INDEX:

#### I.1 CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE (TSA 3.1.1) (SEP 2002)(MOD TSA JAN 2005)

This RFI/RFP or contract, as applicable, incorporates by reference one or more provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offerors and contractors may obtain the full text via Internet at: [http://www.tsa.gov/join/business/business\\_tsaams.shtm](http://www.tsa.gov/join/business/business_tsaams.shtm)

The offeror is cautioned that some provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer.

**For the purposes of soliciting comments on the draft RFP, the full text of all clauses incorporated by reference will be provided under separate cover.**

\$	BUS. SIZE	CPAF	FPAF	TSAAMS PROVISION NUMBER	DATE	TITLE
		✓	✓	3.2.2.3.1	JUL 2004	FALSE STATEMENTS IN OFFERS
>\$10M		✓	✓	3.6.2.7	FEB 2003	PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE REVIEW
		✓	✓	3.13.4	AUG 1997	CONTRACTOR IDENTIFICATION NUMBER—DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

\$	BUS. SIZE	CPAF	FPAF	TSAAMS CLAUSE NUMBER	DATE	TITLE
>\$5M		✓	✓	3.1.8.1	FEB 2003	CANCELLATION, RESCISSION AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY
<\$5M		✓	✓	3.1.8.2	FEB 2003	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY
		✓	✓	3.2.2.3.8	FEB 2003	AUDITS AND RECORDS
		✓	✓	3.2.2.3.25	FEB 2003	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA
		✓	✓	3.2.2.3.26	FEB 2003	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA - MODIFICATIONS
		✓	✓	3.2.2.3.27	FEB 2003	SUBCONTRACTOR COST OR PRICING DATA

\$	BUS. SIZE	CPAF	FPAF	TSAAMS CLAUSE NUMBER	DATE	TITLE
		✓	✓	3.2.2.3.28	FEB 2003	SUBCONTRACTOR COST OR PRICING DATA - MODIFICATIONS
		✓	✓	3.2.2.3.30	FEB 2003	TERMINATION OF DEFINED BENEFIT PENSION PLANS
		✓	✓	3.2.2.3.32	FEB 2003	WAIVER OF FACILITIES CAPITAL COST OF MONEY
		✓	✓	3.2.2.3.33	FEB 2003	ORDER OF PRECEDENCE
		✓	✓	3.2.2.3.36	FEB 2003	REVERSION OR ADJUSTING OF PLANS FOR POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (PRB)
		✓	✓	3.2.2.7.6	FEB 2003	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
	Large	✓		3.2.3.2	FEB 2003	COST ACCOUNTING STANDARDS
	Large	✓		3.2.3.3	FEB 2003	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES
		✓		3.2.3.5	FEB 2003	ADMINISTRATION OF COST ACCOUNTING STANDARDS
		✓	✓	3.2.4.34	FEB 2003	OPTION TO EXTEND SERVICES
		✓	✓	3.2.5.3	FEB 2003	GRATUITIES OR GIFTS
		✓	✓	3.2.5.4	FEB 2003	CONTINGENT FEES
		✓	✓	3.2.5.5	FEB 2003	ANTI-KICKBACK PROCEDURES
		✓	✓	3.2.5.6	FEB 2003	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE TSA
			✓	3.3.1.1	FEB 2003	PAYMENTS
			✓	3.3.1.6	FEB 2003	DISCOUNTS FOR PROMPT PAYMENT
		✓	✓	3.3.1.7	FEB 2003	LIMITATION ON WITHHOLDING OF PAYMENTS
			✓	3.3.1.8	FEB 2003	EXTRAS
			✓	3.3.1.9	FEB 2003	INTEREST
		✓	✓	3.3.1.15	FEB 2003	ASSIGNMENT OF CLAIMS
			✓	3.4.1.10	FEB 2003	INSURANCE – WORK ON A GOVERNMENT INSTALLATION
		✓		3.4.1.11	FEB 2003	INSURANCE – LIABILITY TO THIRD PERSONS
		✓	✓	3.4.2.6	AUG 2002	TAXES – CONTRACTS PERFORMED IN U.S. POSSESSIONS OR PUERTO RICO
			✓	3.4.2.8	FEB 2003	FEDERAL, STATE, AND LOCAL TAXES – FIXED PRICE CONTRACT
		✓	✓	3.5.1	FEB 2003	AUTHORIZATION AND CONSENT
		✓	✓	3.5.2	FEB 2003	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
		✓	✓	3.5.3	FEB 2003	PATENT INDEMNITY
		✓	✓	3.5.13	FEB 2003	RIGHTS IN DATA-GENERAL
		✓	✓	3.5.13.2	FEB 2003	RIGHTS IN DATA-GENERAL, ALT II (FEB 2003)
		✓	✓	3.5.13.3	FEB 2003	RIGHTS IN DATA-GENERAL, ALT III (FEB 2003)
		✓	✓	3.5.13.5	FEB 2003	RIGHTS IN DATA-GENERAL, ALT V (FEB 2003)
		✓	✓	3.5.18	FEB 2003	COMMERCIAL COMPUTER SOFTWARE – RESTRICTED RIGHTS
		✓	✓	3.6.1.1	FEB 2003	NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE (ONLY IF SMALL BUSINESS SETASIDE)
		✓	✓	3.6.1.3	FEB 2003	UTILIZATION OF SMALL BUSINESS CONCERNS
>\$200K	Large	✓	✓	3.6.1.4	FEB 2003	SMALL, SMALL DISADVANTAGED, WOMEN-OWNED AND

\$	BUS. SIZE	CPAF	FPAF	TSAAMS CLAUSE NUMBER	DATE	TITLE
						SERVICE-DISABLED VETERAN OWNED SMALL BUSINESS SUBCONTRACTING PLAN
		✓	✓	3.6.1.6	FEB 2003	LIQUIDATED DAMAGES – SUBCONTRACTING PLAN
	Small	✓	✓	3.6.1.7	AUG 1997	LIMITATIONS ON SUBCONTRACTING (NOTE: SMALL BUSINESS SET-ASIDE ONLY.)
		✓	✓	3.6.2.2	FEB 2003	CONVICT LABOR
		✓	✓	3.6.2.5	FEB 2003	PROHIBITION OF SEGREGATED FACILITIES
		✓	✓	3.6.2.9	FEB 2003	EQUAL OPPORTUNITY
		✓	✓	3.6.2.12	FEB 2003	AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS
		✓	✓	3.6.2.13	FEB 2003	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES
		✓	✓	3.6.2.14	FEB 2003	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA
		✓	✓	3.6.2.16	FEB 2003	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES
		✓	✓	3.6.2.28	FEB 2003	SERVICE CONTRACT ACT OF 1965, AS AMENDED
			✓	3.6.2.30	FEB 2003	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT – PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)
		✓	✓	3.6.3.7	FEB 2003	WASTE REDUCTION PROGRAM
		✓	✓	3.6.3.11	FEB 2003	TOXIC CHEMICAL RELEASE REPORTING
		✓	✓	3.6.3.16	JAN 2004	DRUG-FREE WORKPLACE
		✓	✓	3.6.4.2	FEB 2003	BUY AMERICAN ACT - SUPPLIES
		✓	✓	3.6.4.8	FEB 2003	BUY AMERICAN ACT – NAFTA IMPLEMENTATION ACT – BALANCE OF PAYMENTS PROGRAM
		✓	✓	3.6.4.10	FEB 2003	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES
Supplies <\$190K		✓	✓	3.6.4.12	FEB 2003	SANCTIONED EUROPEAN UNION COUNTRY END PRODUCTS
Supplies <\$190K		✓	✓	3.6.4.13	FEB 2003	SANCTIONED EUROPEAN UNION COUNTRY
		✓	✓	3.6.5.1	FEB 2003	UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES
		✓	✓	3.7.1	FEB 2003	PRIVACY ACT NOTIFICATION
		✓	✓	3.7.2	FEB 2003	PRIVACY ACT
		✓	✓	3.8.2.10	FEB 2003	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION
		✓	✓	3.8.2.11	FEB 2003	CONTINUITY OF SERVICES
		✓	✓	3.8.4.5	FEB 2003	GOVERNMENT SUPPLY SOURCES
		✓	✓	3.9.1.1	FEB 2003	CONTRACT DISPUTES
		✓	✓	3.9.1.2	FEB 2003	PROTEST AFTER AWARD
		✓		3.10.1.1	FEB 2003	NOTICE OF INTENT TO DISALLOW COSTS
		✓		3.10.1.3	FEB 2003	PENALTIES FOR UNALLOWABLE COSTS
		✓	✓	3.10.1.7	FEB 2003	BANKRUPTCY
			✓	3.10.1.12	FEB 2003	CHANGES – FIXED PRICE
			✓	3.10.1.12.2	FEB 2003	CHANGES – FIXED PRICE (ALT II)
		✓		3.10.1.13.	FEB 2003	CHANGES – COST REIMBURSEMENT (FEB 2003)
		✓		3.10.1.13.2	FEB 2003	CHANGES – COST REIMBURSEMENT (ALT II) (FEB 2003)

\$	BUS. SIZE	CPAF	FPAF	TSAAMS CLAUSE NUMBER	DATE	TITLE
				3.10.1.14	APR 1996	CHANGES - TIME AND MATERIALS OR LABOR HOURS (T&M)
			✓	3.10.2.1	FEB 2003	SUBCONTRACTS – FIXED PRICE CONTRACTS
				3.10.2.3	FEB 2003	SUBCONTRACTS - TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS
				3.10.2.5	FEB 2003	COMPETITION IN SUBCONTRACTING
			✓	3.10.6.1	AUG 2002	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT – FIXED PRICE
		✓		3.10.6.3	FEB 2003	TERMINATION (COST-REIMBURSEMENT)
				3.10.6.3.4	FEB 2003	TERMINATION - COST-REIMBURSEMENT - ALTERNATE IV (T&M)
			✓	3.10.6.4	FEB 2003	DEFAULT – FIXED PRICE SUPPLY AND SERVICE
		✓	✓	3.10.6.7	FEB 2003	EXCUSABLE DELAYS (COST REIMBURSABLE, T&M)
		✓	✓	3.13.3	FEB 2003	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER
		✓	✓	3.13.10	JAN 2003	CONTRACTOR ATTENDANCE AT TSA SPONSORED TRAINING
		✓	✓		DEC 2004	NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES

## **I.2 EARNED VALUE MANAGEMENT SYSTEM (TSAAMS 1.13.2) (September 2003)**

***Required if cost-reimbursement value equals \$50,000,000 or more. Otherwise, Section I Clause 1.13.4, “Cost/Schedule Status Report” is required.***

(a) In the performance of this contract, the Contractor shall use an Earned Value Management System (EVMS) meeting the 32 EVMS criteria from the American National Standards Institute (ANSI)/Electronic Industries Alliance (EIA) Standard – 748-1998, *Earned Value Management Systems*.

(b) If in response to the solicitation, the Contractor has submitted satisfactory documentation that the Contractor's EVMS has been approved by a TSA contracting officer (CO), or a contracting officer from another Federal agency as meeting the 32 EVMS criteria from the American National Standards Institute (ANSI)/Electronic Industries Alliance (EIA) Standard – 748-1998, *Earned Value Management Systems*, the Contractor shall apply its system to this contract within 60 calendar days after contract award, or as otherwise agreed by the parties.

(c) If the Contractor does not have an EVMS that has been approved by the TSA Contracting Officer prior to award as described in paragraph (b) of this clause, the Contractor shall be prepared to demonstrate to the Contracting Officer that the EVMS complies with the EVMS criteria referenced in paragraph (a) of this clause within ninety (90) days after contract award.

(d) The Contracting Officer may require an integrated baseline review within 180 calendar days after:

- (1) contract award, and

(2) the exercise of significant contract options, and

(3) the incorporation of major modifications. The purpose of the integrated baseline review is for the TSA and the Contractor to jointly evaluate the adequacy of the contractor's planning efforts in meeting baseline goals in areas such as the complete coverage of the statement of work, logical scheduling of the work activities, adequate allocation of resources, and risk management.

(e) Unless a waiver is granted by the Contracting Officer, the Contractor shall submit all proposed changes to EVMS to the Contracting Officer for approval. The Contracting Officer will notify the Contractor of the acceptability of such changes within 30 calendar days after receipt of the notice of proposed changes from the Contractor. If the Contracting Officer waived the requirement for advance approval by the Contracting Officer, the Contractor shall disclose EVMS changes to the CO at least 14 calendar days prior to the date of implementation.

(f) The Contractor agrees to provide access to all pertinent records and data requested by the Contracting Officer or duly authorized representatives to allow the TSA to verify that the contractor's EVMS initially complies, and continues to comply, with the criteria referenced in paragraph (a) of this clause during contract performance.

(g) The Contractor shall require those subcontractors specified in the contract for application of the EVMS criteria to comply with the requirements of this clause.

(h) The Contractor shall submit Cost Performance Reports prepared in accordance with (To be completed at contract award) by (To be completed at contract award).

(End of clause)

### **I.3 COST/SCHEDULE STATUS REPORT (TSAAMS 1.13-4) (September 2003)**

***Required if cost-reimbursement value is less than \$50,000,000. Otherwise, Section I Clause "Cost/Schedule Status Report" (TSAAMS 1.13.4) is required.***

(a) The Contractor (you) must use management procedures to perform this contract that provide for:

- (1) Planning and control of costs;
- (2) Measuring performance (value of completed tasks); and
- (3) Generating timely and reliable information for the cost/schedule status report (C/SSR).

(b) At a minimum, these procedures must:

- (1) Establish:
  - (i) Time-phased budgeted cost of work scheduled (including work authorization, budgeting, and scheduling);
  - (ii) Budgeted cost for work performed;
  - (iii) Actual cost of work performed;
  - (iv) Projected budget at completion;
  - (v) Periodic estimates of cost at completion; and



(vi) Measurements and reports of subcontractor performance;

(2) Include all direct and indirect costs, and provisions to use and control the management reserve and undistributed budget in the C/SSR;

(3) Incorporate changes to the contract budget base from Government-directed changes, or Contractor internal replanning;

(4) Prevent subjective adjustment of data to ensure realistic performance measurement. Unless the Contracting Officer (CO) gives written approval in advance, your allocated budget may not exceed the contract budget base. You must exclude changes for cost-growth increases, other than for authorized changes to the contract scope, from the contract budget base in cost reimbursement contracts

(5) Identify and explain significant cost and schedule variances (variances) accurately to show cumulative variances and projected variances for the end of the performance period.

(c) You may use an EVMS recognized by a contracting officer from the TSA or another Federal agency as complying with the earned value management system guidelines of Industry Standard EIA-748-A dated January 2002

(d) The CO may require an integrated baseline review to determine if your planning efforts are adequate to meet baseline goals in areas such as the Statement of Work, logical scheduling of work activities, adequate allocation of resources, and risk-management. The CO may require this review within 180 calendar days after:

(1) Awarding the contract,

(2) Exercising significant contract options, or

(3) Incorporating major contract modifications.

(e) You must provide access to all pertinent records, company procedures, and data requested by the CO, to show that you are properly implementing the procedures that generate the cost and schedule information being used to satisfy the C/SSR contractual data requirements; and are not deviating from your normal procedures to provide data for the C/SSR.

(f) You must submit any substantive changes to the procedures and their impact to the CO for approval prior to adopting them.

(g) You must require subcontractors who perform critical or significant tasks to provide a C/SSR. You and the TSA will mutually identify subcontracts that are critical or significant. You must incorporate the subcontractor's reported cost/schedule information into your C/SSR.

(h) You must submit a C/SSR report prepared under [CO to insert reference to location of the applicable DI-MGMT-81467 or TSA-PM-010 that specifies the contract's reporting requirements]. by [Contracting Officer to insert due date].

(End of clause)

#### **I.4 CONTRACTOR QUALITY CONTROL (TSA 1.13.5)(JUL 2003)**

The Contractor shall operate a comprehensive quality control program, which will assure services will be performed to contract specifications. The quality control program shall identify performance problems and potential problems and seek to eliminate these problems prior to their

having an impact on the contract.

The Contractor shall establish and maintain a complete Quality Control Plan (QCP) to ensure the requirements of the contract are provided as specified. One copy of the Contractor's final QCP shall be provided to the Contracting Officer and one copy to the Contracting Officer's Representative (COR) not later than the post-award conference. The Contractor shall provide a complete copy to the Contracting Officer and COR as any updates/changes occur. The Contractor shall retain copies of all documents/records generated in the quality control process for at least one year after expiration of the contract and shall present them to the Contracting Officer or COR upon request.

At a minimum, the plan shall:

- (a) Provide the Contractor's organizational structure and functional statements showing the relationship with work items in contract.
- (b) Detail a quality control inspection program covering all general and specific tasks included in SOW. It shall specify tasks or areas to be inspected on either a scheduled or unscheduled basis, and the manner in which inspections are to be conducted.
- (c) Detail method/s of identifying deficiencies before performance becomes unacceptable in accordance with this Performance Work Statement.
- (d) Detail how Contractor personnel will be trained.
- (e) Detail how survey administration will be tracked and maintained.
- (f) Review services to be examined for quality.
- (g) Specify forms to be used.

The Contractor shall maintain a quality control file of all inspections, to include corrective actions taken. The file shall be available in electronic (Microsoft Word or other format that the government can use without incurrence of additional expense) and paper format. The file shall be subject to Government Review at the Government's discretion by the Contracting Officer, COR or other Government official appointed by the Contracting Officer.

The Contractor shall provide status reports on the quality or progress towards delivering quality items on a **(To be completed at contract award)** basis. Reporting frequency may be adjusted by the Contracting Officer of COR based upon his/her confidence in the Contractor's performance level of accomplishing the required tasks. The Contractor shall provide status reports via the method (e.g., electronic or paper) requested by the Project Manager.

(End of clause)

#### **I.5 EXCLUSION FROM FUTURE AGENCY CONTRACTS (TSAAMS 3.1.7-1) (AUG 1997)**

- (a) Work under this contract may create a future organizational conflict of interest (OCI) that could prohibit the Contractor from competing for, or being awarded future Government contracts.

(b) In order to prevent a future OCI resulting from potential bias, unfair competitive advantage, or impaired objectivity, the Contractor shall be subject to the following restrictions:

(1) The Contractor shall be excluded from competition for, or award of any government contracts as to which, in the course of performance of this contract, the Contractor has received advance procurement information before such information has been made generally available to other persons or firms.

(2) The Contractor shall be excluded from competition for, or award of any TSA contract for which the contractor actually assists in the development of the RFI/RFP, specifications or statements of work.

(3) The Contractor shall be excluded from competition for or award of any government contract which calls for the evaluation of system requirements, system definitions, or other products developed by the Contractor under this contract.

(4) The Contractor shall be excluded from competition for, or award of any government contract which calls for the construction, fabrication, development or manufacture of any system, analysis equipment, hardware, and/or software for which the Contractor participated in the development of requirements or definitions pursuant to this contract.

(c) This clause shall not exclude the Contractor from performing work under any amendment or modification to this contract or from competing for award for any future contract for work that is the same or similar to work performed under this contract.

(d) The term "contractor" as used in this clause, includes any person, firm or corporation which has a majority or controlling interest in the contractor or in any parent corporation thereof, any person, firm, or corporation in or as to which the contractor (or any parent or subsidiary corporation thereof) has a majority or controlling interest. The term also includes the corporate officers of the contractor, those of any corporation which has a majority or controlling interest in the contractor, and those of any corporation in which the contractor (or any parent or subsidiary corporation thereof) has a majority or controlling interest.

(e) The agency may in its sole discretion, waive any provisions of this clause if deemed in the best interest of the Government. The exclusions contained in this clause shall apply for the duration of this contract and for three (3) years after completion and acceptance of all work performed hereunder.

(f) If any provision of this clause excludes the Contractor from competition for, or award of any contract, the Contractor shall not be permitted to serve as a subcontractor, at any tier, on such contract. This clause shall be incorporated into any subcontracts or consultant agreements awarded under this contract unless the Contracting Officer determines otherwise.

(End of clause)

#### **I.6 ORGANIZATIONAL CONFLICTS OF INTEREST (TSAAMS 3.1.7-2) (FEB 2003)**

(a) By submitting an offer or proposal the offeror or Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest (OCI), as defined in the TSA Acquisition Management System, "Organizational Conflicts of Interest", or that the Contractor has disclosed

all such relevant information.

(b) The offeror or Contractor agrees that if an actual or potential OCI is discovered after award, the Contractor shall make a full disclosure in writing to the Contracting Officer. The disclosure shall include a mitigation plan describing actions the Contractor has taken or proposes to take, to avoid, mitigate, or neutralize the actual or potential conflict. Changes in the Contractor's relationships due to mergers, consolidations or any unanticipated circumstances may create an unacceptable organizational conflict of interest might necessitate such disclosure. (c) The TSA reserves the right to review and audit OCI mitigation plans as needed after award, and to reject mitigation plans if the OCI, in the judgment of the Contracting Officer cannot be avoided, or mitigated.

(d) The Contracting Officer may terminate this contract for convenience in whole or in part, if it deems such termination necessary to avoid an OCI. If the Contractor was aware of a potential OCI prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate this contract for default, debar the Contractor from government contracting, or pursue such other remedies as may be permitted by law or this contract.

(e) The Contractor further agrees to insert provisions which shall conform substantial to the language of this clause including this paragraph (d) in any subcontract or consultant agreement hereunder.

(End of clause)

#### **I.7 NOTIFICATION OF OWNERSHIP CHANGES (TSAAMS 3.2.2.3-37) (JUL 2004)**

(a) The Contractor (you) must notify TSA in writing within 30 days when you become aware that a change in ownership has occurred or will occur and that the change could affect the value of your capitalized assets in the accounting records, asset valuations, or cause any other cost changes.

(b) You must:

- (1) Maintain current, accurate, and complete inventory records of assets and their costs;
- (2) Provide the Contracting Officer (CO) access to the records on request;
- (3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of your ownership changes; and
- (4) Retain and maintain depreciation and amortization schedules based on the asset records maintained before each ownership change.

(c) You must include the substance of this clause in all subcontracts under this contract with a value exceeding \$1,000,000 and that requires cost and price data.

(End of clause)

#### **I.8 REQUIREMENTS FOR COST OR PRICING DATA OR OTHER INFORMATION --MODIFICATIONS (TSA 3.2.2.3-39) (JULY 2004)**

(a) When there are price adjustments in the contract, the Contractor (you, your) must submit the following:

- (1) A certificate of current cost or pricing data (CCCPD) described in paragraph (e), or
- (2) For information other than current cost or pricing data (CPD), a request for an exception to CCCPD. You must request this exception from the CO in writing with the following types of information or data that would establish the reasonableness of the prices you offer:
  - (i) Information on an exception you received on earlier or repetitive acquisitions;
  - (ii) Catalog price information including:
    - (A) A dated catalog with the prices;
    - (B) The applicable catalog pages; or
    - (C) A statement that the catalog is on file in the contracts office that will issue this contract modification;
  - (iii) Information on the current discount policies and price lists (published or unpublished), for example wholesale, original equipment manufacturer, and reseller;
  - (iv) Evidence of substantial sales to the general public for catalog items that exceed **(To be completed at contract award)**. Your evidence may consist of verifiable records such as a sales order, contract, shipment, invoice, actual recorded sales; or sales by your affiliates, other manufacturers or vendors when your price proposal is based on sales of essentially the same commercial item. You must also explain the relationship of the offered price to the (1) established catalog price, or (2) the price of recent and substantial sales of similar quantities of the items that were sold to the general public at prices that differ from catalog or list prices;
  - (v) The basis for the market price including:
    - (A) The source, date or period of the market quotation;
    - (B) Any other basis for the market price, the base amount, and applicable discounts;
    - (C). The nature of the market for the supply or service you are offering (should be the same as or similar to the market price supply or service); or
    - (D) Data supporting substantial sales to the general public.
  - (vi) Laws or regulations that establish your offered prices. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of a controlling document that you did not previously submit to the contracting office;
  - (vii) Information on modifications of contracts or subcontracts for commercial items that relate to the offered price, as follows:
    - (A) If you received an exception based on adequate price competition, catalog or market prices of commercial items, or prices set by law or regulation under the original contract or subcontract, and this modification is not covered by these exceptions, you must provide information to establish that the modification would not change the contract or subcontract from one for a commercial item to one for a non-commercial item;

(B) For commercial items, you may provide information on selling prices of the same item or similar items in the commercial market; and

(viii) Any other information the CO requests to support your request for an exception or to conclude that your price is fair and reasonable.

(b) You give the CO the right to examine books, records, documents, or other directly pertinent records to verify your request for an exception under this clause or the reasonableness of price at any time before award.

(c) The CO will not require you to provide access to cost or price information or other data that apply to prices offered in the catalog or marketplace.

(d) Submitting information to qualify for an exception does not mean that this is the only exception that may apply.

(e) You must submit under paragraph (a):

#### CERTIFICATE OF CURRENT COST OR PRICING DATA

I certify that, to the best of my knowledge and belief, the cost or pricing data we submit, either actually or by specific identification in writing, to the Contracting Officer or to the Contracting Officer's representative to support [\*] are accurate, complete, and current as of [\*\*]. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between us and the Government that are part of the proposal.

[Contractor insert the following information.]

Firm \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date of execution [\*\*\* \_\_\_\_\_]

\*Contractor identify the proposal, request for price adjustment, or other submission involved, giving the appropriate identifying number (for example, SIR No.)

\*\* Contractor insert the day, month, and year when price negotiations were concluded and price agreement was reached or, if applicable, an earlier date agreed upon between the parties that is as close as practicable to the date of a price agreement.

\*\*\* Contractor insert the day, month, and year of signing, which should be as close as practicable to the date when the price negotiations were concluded and the parties agreed on the contract price.

(End of certificate)

(End of clause)

**I.9 REQUESTS FOR CONTRACT INFORMATION (TSA 3.2.2.3.75) (APR 2002)**

Any contract resulting from this Screening Information Request (SIR) will be considered a public document, subject to release under the Freedom of Information Act (FOIA), 5 U.S.C. Section 552. Unless covered by an exemption described in the Act, all information contained in the contract, including unit price, hourly rates and their extensions, may be released to the public upon request. Offerors are therefore urged to mark any sensitive documents submitted as a result of this SIR that may be deemed as trade secrets, proprietary information, or privileged or confidential financial information.

(End of clause)

**I.10 REPRESENTATION- RELEASE OF CONTRACT INFORMATION (TSAAMS 3.2.2.3-76) (JULY 2004)**

(a) Any contract resulting from the issuance of this Screening Information Request (SIR) may be the subject of a request for release pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. Section 552.

(b) As an aid in responding to requests for information, this provision facilitates the review and screening process used in determining the releasability of the contract(s) in whole or in part. Accordingly, the offeror's response to this SIR relative to potential release of information contained in any resultant contract is set forth at (c) below.

(c) REPRESENTATION CONCERNING RELEASE OF CONTRACT INFORMATION--

The offeror represents that--(1)[ ] It has made a complete review of its submittal(s) in response to this SIR and that no exemption from mandatory release under FOIA exists, and, (2)[ ] It has no objection to the release of any contract it may be awarded in whole or in part resulting from this SIR.

OR

The offeror represents that [ ] its submittal(s) in response to this SIR contains information that is exempt from mandatory release under FOIA. Accordingly, the offeror represents that--(1)[ ] It has specifically identified via placement of restrictive markings on any sensitive documents submitted in response to this SIR such as trade secrets, proprietary information, or commercial or financial information that is privileged or confidential, and (2)[ ] It, as the party that provided the information, has furnished the contracting officer by separate letter concurrent with this submittal detailed information specifically listing the page(s) to be withheld complete with any and all legal justifications which would permit the TSA to invoke an exemption to the FOIA.

(End of clause)

## **I.11 ALLOWABLE COST AND PAYMENT (TSAAMS 3.2.4-5) (FEB 2003)**

(a) Invoicing. The Government shall make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with the (TSA) "Contract Cost Principles" in effect on the date of this contract and the terms of this contract (upon request, the Contracting Officer will provide a copy of the TSA Cost Principles). The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract. Any payments for costs under this contract, particularly for costs of Indirect Rates under paragraph (d), shall be subject to the provisions of the Limitation of Costs clause, or the Limitation of Funds clause, if applicable. The Contractor shall be responsible to manage and control the allowable cost of performance of the contract, such that payments for any allowable costs, including Indirect Rates under paragraph (d), shall not exceed the estimated cost set forth in the schedule, or the funded amount, less an allowance for fee, if the contract is incrementally funded.

(b) Reimbursing costs.

(1) For the purpose of reimbursing allowable costs (except as provided in subparagraph (2) below, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term costs includes only:

(i) Those costs the Contractor has incurred and recorded at the time of the request for reimbursement;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid for-

(A) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;

(B) Direct labor;

(C) Direct travel;

(D) Other direct in-house costs; and

(E) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under TSA contracts; and

(iii) The amount of payments that have been paid to the Contractor's subcontractors under similar cost standards.

(2) Contractor contributions to any pension or other post retirement benefit, profit-sharing or employee stock ownership plan funds that are paid quarterly or more often may be included in indirect costs for payment purposes: Provided, that the Contractor pays the contribution to the fund within 30 days after the close of the period covered. Payments made 31 days or more after the close of a



period shall not be included until the Contractor actually makes the payment. Accrued costs for such contributions that are paid less often than quarterly shall be excluded from indirect costs for payment purposes until the Contractor actually makes the payment.

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) below, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) below.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) Small business concerns. A small business concern may be paid more often than every 2 weeks and may invoice and be paid for recorded costs for items or services purchased directly for the contract, even though the concern has not yet paid for those items or services.

(d) Final indirect cost rates.

(1) Final annual indirect cost rates and the appropriate bases shall be established for the period covered by the indirect cost rate proposal.

(2) The Contractor shall, within 90 days after the expiration of each of its fiscal years, or by a later date approved by the Contracting Officer, submit to the cognizant Contracting Officer responsible for negotiating its final indirect cost rates and, if required by agency procedures, to the cognizant audit activity proposed final indirect cost rates for that period and supporting cost data specifying the contract and/or subcontract to which the rates apply. The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct costs in the settlement, and (v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Failure by the parties to agree on a final annual indirect cost rate may be the basis of a claim under the "Contract Disputes" clause.

(e) Billing rates. Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final

rates are established. These billing rates-

(1) Shall be the anticipated final rates; and

(2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) Quick-close-out procedures. When the Contractor and Contracting Officer agree, the quick-close-out procedures may be used.

(1) Procedures. Settlement of indirect cost rates shall apply to this contract, in advance of the determination of final indirect cost rates, if:

(i) The contract is physically complete;

(ii) The amount of unsettled indirect cost to be allocated to this contract is not more than \$500,000 and the cumulative unsettled indirect costs to be allocated to one or more contracts in a single fiscal year do not exceed 15 percent of the estimated, total unsettled indirect costs allocable to cost-type contracts for that fiscal year; and

(iii) Agreement can be reached on a reasonable estimate of allocable dollars.

(2) The settlement shall be final for this contract and no adjustment shall be made to other contracts for over- or under-recoveries of costs allocated or allocable to this contract.

(3) The settlement shall not be considered a binding precedent when establishing the final indirect costs for other contracts.

(g) Audit. At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be (1) reduced by amounts found by the Contracting Officer not to constitute allowable costs or (2) adjusted for prior overpayments or underpayments.

(h) Final payment.

(1) The Contractor shall submit a completion invoice or voucher, designated as such, promptly upon completion of the work, but no later than one year (or longer, as the Contracting Officer may approve in writing) from the completion date. Upon approval of that invoice or voucher, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by

the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver-

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except-

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

(End of clause)

**L.12 OPTION TO EXTEND THE TERM OF THE CONTRACT (TSA 3.2.4.35) (FEB 2003)**

(a) The Government may extend the term of this contract by written notice to the Contractor within 30 days of the end of the performance period; provided, that the Government shall give the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option provision.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed five (5) years from date of award.

(End of clause)

### **I.13 AWARD FEE (TSAAMS 3.2.4-36) (JAN 2004)**

- a. The TSA shall pay the Contractor a base fee as well as an award fee for performing this contract.
- b. The award fee will be determined based on a Contractor Performance Evaluation Plan (PEP) which will be unilaterally established by the TSA. The PEP will include the criteria to be considered under each area evaluated; the percentage of award fee, if any, available for each area; and the frequency of evaluation periods. A copy of the PEP will be provided to the Contractor within thirty (30) days after contract award, and within thirty (30) days subsequent to any approved revisions made to the PEP during the execution of the contract. There will be no carry forward of any unearned award fee to any subsequent award fee period. Award fee will not be paid for performance that is below average or unsatisfactory. The award fee earned and payable will be determined by the Fee Determining Official (FDO) in accordance with procedures in the PEP. The FDO may, at any time, make unilateral administrative changes concerning Contract award fee such as changes to the Performance Evaluation Board membership, Performance Monitors, and other changes that do not impact on evaluation procedures, computation of earned award fee, or determination of award fee pools for specific evaluation performance periods. The FDO may also make unilateral changes that do impact on evaluation procedures, computation of award fee, or determination of award fee pools for specific evaluation performance periods, provided that any such changes are communicated to the Contractor in writing no later than 30 calendar days after the commencement of the award fee evaluation period in which the changes become effective. If no conflicts exist between the changes to the Plan and the Contract, then changes will be unilaterally invoked into the PEP without formal modification to the Contract. The PEP shall set forth the criteria upon which the Contractor will be evaluated for performance relating to any:
  - (1) Technical (including Schedule) requirements as appropriate;
  - (2) Management; and
  - (3) Cost functions selected for evaluation.Specific evaluation factors are identified in the PEP. The award fee described in this clause and in the PEP is the only fee payable to the prime or any other teammate/subcontractor. Any other attempts to invoice the TSA for fees of any kind on the part of the prime contractor, or on behalf of any other subcontractor, consultant, interdivisional entity, etc. will be disallowed. The TSA will promptly make payment of any Award Fee upon the submission by the Contractor to the Contracting Officer, or his authorized representative, of a public voucher or invoice in the amount of the total fee earned for the period evaluated. The earned award fee will be incorporated into the contract by modification. It is agreed that the evaluation of Contractor performance shall be in accordance with the PEP and that the Contractor shall be promptly advised in writing of the award fee determination and the reasons why it was or was not earned. The Contractor further agrees that the determination as to the amount of award fee earned will be made by the FDO and such determination concerning the amount of award fee earned is binding on both parties and shall not be subject to appeal under the TSA's Dispute Resolution Provisions or to any other administrative board or court of law. It is further agreed that the Contractor may submit a self-evaluation of performance of each period under consideration. While it is recognized that the basis for determination of the fee shall be the

evaluation by the TSA, any self-evaluation which is received within 20 days after the end of the period being evaluated may be given such consideration, if any, as the FDO shall find appropriate.

(End of Clause)

**I.14 OFFICIALS NOT TO BENEFIT (TSAAMS 3.2.5-1) (FEB 2003)**

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit arising from it. However, this clause does not apply to this contract to the extent that this contract is made with a corporation for the corporation's general benefit.

(End of clause)

**I.15 WHISTLEBLOWER PROTECTION FOR CONTRACTOR EMPLOYEES  
(TSAAMS 3.2.5.8) (FEB 2003)**

The contractor agrees not to discharge, demote or otherwise discriminate against an employee as a reprisal for disclosing information to a Member of Congress, or an authorized official of an agency or of the Department of Justice, relating to a violation of law related to this contract (including the competition for or negotiation of a contract).

Definitions:

- (1) "Authorized official of the agency" means an employee responsible for contracting, program management, audit, inspection, investigation, or enforcement of any law or regulation relating to TSA procurement or the subject matter of the contract.
- (2) "Authorized official of the Department of Justice" means any person responsible for the investigation, enforcement, or prosecution of any law or regulation.

(End of clause)

**I.16 LIMITATION OF COST (TSAAMS 3.3.1-12) (FEB 2003)**

(a) The parties estimate that performance of this contract, exclusive of any fee, will not cost the TSA more than (1) the estimated cost specified in the "Schedule" or, (2) if this is a cost-sharing contract, the TSA 's share of the estimated cost specified in the "Schedule". The Contractor agrees to use its best efforts to perform the work specified in the "Schedule" and all obligations under this contract within the estimated cost, which, if this is a cost-sharing contract, includes both the TSA 's and the Contractor's share of the cost.

(b) The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that-

(1) The costs the Contractor expects to incur under this contract in the next 60 days, when added to all costs previously incurred, will exceed 75 percent of the estimated cost specified in the "Schedule"; or

(2) The total cost for the performance of this contract, exclusive of any fee, will be either greater or substantially less than had been previously estimated.

(c) As part of the notification, the Contractor shall provide the Contracting Officer a revised estimate of the total cost of performing this contract.

(d) Except as required by other provisions of this contract, specifically citing and stated to be an exception to this clause-

(1) The TSA is not obligated to reimburse the Contractor for costs incurred in excess of:

(i) the estimated cost specified in the "Schedule" or,

(ii) if this is a cost-sharing contract, the estimated cost to the TSA specified in the "Schedule";

(2) The Contractor is not obligated to continue performance under this contract (including actions under the "Termination" clause of this contract) or otherwise incur costs in excess of the estimated cost specified in the "Schedule", until the Contracting Officer:

(i) notifies the Contractor in writing that the estimated cost has been increased and

(ii) provides a revised estimated total cost of performing this contract.

If this is a cost-sharing contract, the increase shall be allocated in accordance with the formula specified in the "Schedule".

(e) No notice, communication, or representation in any form other than that specified in subparagraph (d)(2) above, or from any person other than the Contracting Officer, shall affect this contract's estimated cost to the TSA. In the absence of the specified notice, the TSA is not obligated to reimburse the Contractor for any costs in excess of the estimated cost or, if this is a cost-sharing contract, for any costs in excess of the estimated cost to the TSA specified in the "Schedule", whether those excess costs were incurred during the course of the contract or as a result of termination.

(f) If the estimated cost specified in the "Schedule" is increased, any costs the Contractor incurs before the increase that are in excess of the previously estimated cost shall be allowable to the same extent as if incurred afterward, unless the Contracting Officer issues a termination or other notice directing that the increase is solely to cover termination or other specified expenses.

(g) Change orders shall not be considered an authorization to exceed the estimated cost to the TSA specified in the "Schedule", unless they contain a statement increasing the estimated cost.

(h) If this contract is terminated or the estimated cost is not increased, the TSA and the Contractor shall negotiate an equitable distribution of all property produced or purchased under the contract, based upon the share of costs incurred by each.

**(End of clause)**

#### **I.17 LIMITATION OF FUNDS (TSAAMS 3.3.1-14) (FEB 2003)**

(a) The parties estimate that performance of this contract will not cost the TSA more than:

(1) The estimated cost or price specified in the "Schedule" or,

(2) If this is a cost-sharing contract, the TSA's share of the estimated cost specified in the "Schedule".

The Contractor agrees to use its best efforts to perform the work specified in the "Schedule" and all obligations under this contract within the estimated cost, which, if this is a cost-sharing contract, includes both the TSA's and the Contractor's share of the cost.

(b) The "Schedule" specifies the amount presently available for payment by the TSA and allotted to this contract, the items covered, the TSA's share of the cost if this is a cost-sharing contract, and the period of performance it is estimated the allotted amount will cover. The parties

contemplate that the TSA will allot additional funds incrementally to the contract up to the full estimated cost to the TSA specified in the "Schedule", exclusive of any fee. The Contractor agrees to perform, or have performed, work on the contract up to the point at which the total amount paid and payable by the TSA under the contract approximates but does not exceed the total amount actually allotted by the TSA to the contract.

(c) The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur under this contract in the next 60 days, when added to all costs previously incurred, will exceed 75 percent of:

(1) the total amount so far allotted to the contract by the TSA or,

(2) if this is a cost-sharing contract, the amount then allotted to the contract by the TSA plus the Contractor's corresponding share. The notice shall state the estimated amount of additional funds required to continue performance for the period specified in the "Schedule".

(d) Sixty days before the end of the period specified in the "Schedule", the Contractor shall notify the Contracting Officer in writing of the estimated amount of additional funds, if any, required to continue timely performance under the contract or for any further period specified in the "Schedule" or otherwise agreed upon, and when the funds will be required.

(e) If, after notification, additional funds are not allotted by the end of the period specified in the "Schedule" or another agreed-upon date, upon the Contractor's written request the Contracting Officer will terminate this contract on that date in accordance with the provisions of the "Termination" clause of this contract. If the Contractor estimates that the funds available will allow it to continue to discharge its obligations beyond that date, it may specify a later date in its request, and the Contracting Officer may terminate this contract on that later date.

(f) Except as required by other provisions of this contract, specifically citing and stated to be an exception to this clause--

(1) The TSA is not obligated to reimburse the Contractor for costs incurred in excess of the total amount allotted by the TSA to this contract; and

(2) The Contractor is not obligated to continue performance under this contract (including actions under the "Termination" clause of this contract) or otherwise incur costs in excess of (i) the amount then allotted to the contract by the TSA or, (ii) if this is a cost-sharing contract, the amount then allotted by the TSA to the contract plus the Contractor's corresponding share, until the Contracting Officer notifies the Contractor in writing that the amount allotted by the TSA has been increased and specifies an increased amount, which shall then constitute the total amount allotted by the TSA to this contract.

(g) The estimated cost shall be increased to the extent that:

(1) the amount allotted by the TSA or,

(2) if this is a cost-sharing contract, the amount then allotted by the TSA to the contract plus the Contractor's corresponding share, exceeds the estimated cost specified in the "Schedule."

If this is a cost-sharing contract, the increase shall be allocated in accordance with the formula specified in the "Schedule."

(h) No notice, communication, or representation in any form other than that specified in subparagraph (f)(2) above, or from any person other than the Contracting Officer, shall affect the amount allotted by the TSA to this contract. In the absence of the specified notice, the TSA is not

obligated to reimburse the Contractor for any costs in excess of the total amount allotted by the TSA to this contract, whether incurred during the course of the contract or as a result of termination.

(i) When and to the extent that the amount allotted by the TSA to the contract is increased, any costs the Contractor incurs before the increase that are in excess of

(1) the amount previously allotted by the TSA or,

(2) if this is a cost-sharing contract, the amount previously allotted by the TSA to the contract plus the Contractor's corresponding share, shall be allowable to the same extent as if incurred afterward, unless the Contracting Officer issues a termination or other notice and directs that the increase is solely to cover termination or other specified expenses.

(j) Change orders shall not be considered an authorization to exceed the amount allotted by the TSA specified in the "Schedule", unless they contain a statement increasing the amount allotted.

(k) Nothing in this clause shall affect the right of the TSA to terminate this contract. If this contract is terminated, the TSA and the Contractor shall negotiate an equitable distribution of all property produced or purchased under the contract, based upon the share of costs incurred by each.

(l) If the TSA does not allot sufficient funds to allow completion of the work, the Contractor is entitled to a percentage of the fee specified in the "Schedule" equaling the percentage of completion of the work contemplated by this contract, if applicable.

**End of clause)**

#### **I.18 TSA COST PRINCIPLES (TSAAMS 3.3.2-1) (FEB 2003)**

(a) Transportation Security Administration (TSA) "Contracting Cost Principles" shall be used for:

(1) The pricing of contracts, subcontracts, and modifications to contracts and subcontracts whenever cost analysis is performed; and

(2) the determination, negotiation, or allowance of cost when required by a contract clause.

(b) TSA Cost Principles are incorporated by reference in this contract as the basis for:

(1) Determining reimbursable costs under:

(i) Cost-reimbursement contracts and cost-reimbursement subcontracts under these contracts performed by commercial organizations, and

(ii) The cost-reimbursement portion of time-and -materials contracts except when material is priced on a basis other than at cost;

(2) Negotiating indirect cost rates, when:

(i) TSA has division or corporate contract administration responsibilities;

(ii) Quick Close-out procedures are used; or

(iii) Indirect rate caps are negotiated in the contract.



- (3) Proposing, negotiating, or determining costs under terminated contracts;
  - (4) Price revision of fixed-price incentive contracts;
  - (5) Price redetermination of price redetermination contracts; and
  - (6) Pricing changes and other contract modifications.
- (c) When contract administration responsibilities rest with another Government agency, the TSA will apply the cost principles of the administering agency for the determination or negotiation of indirect rates not covered by (2)(ii) or (2)(iii) above.
- (d) Upon request, the Contracting Officer will provide a copy of the TSA "Contract Cost Principles." Until TSA develops its own Contract Cost Principles, TSA will adopt FAA's Contract Cost Principles, available at:  
[http://fasteditapp.faa.gov/ams/do\\_action?do\\_action=LinkSection&contentVersionUID=5560&contentUID=3&sectionNumber=0.22#FAA\\_1732](http://fasteditapp.faa.gov/ams/do_action?do_action=LinkSection&contentVersionUID=5560&contentUID=3&sectionNumber=0.22#FAA_1732)

(End of Clause)

#### **I.19 MENTOR PROTOGE PROGRAM (TSAAMS 3.6.1.9) (FEB 2003)**

*(NOTE: For contracts with subcontracting plans and small business set-asides over \$5M)*

- (a) Large and small businesses are encouraged to participate in the Mentor-Protégé program for the purpose of providing developmental assistance to eligible protégé entities to enhance their capabilities and increase their participation in TSA contracts.
- (b) The program consists of:
- (1) Mentor firms, which are large prime contractors or eligible small businesses capable of providing developmental assistance;
  - (2) Protégé firms, which include socially and economically disadvantaged businesses, historically black colleges and universities, minority educational institutions, and woman-owned small businesses; and
- (c) Mentor participation in the program means providing technical, managerial, and financing assistance to aid protégés in developing requisite high-tech expertise and business systems to compete for and successfully perform TSA contracts and subcontracts.
- (d) Contractors interested in participating in the program are encouraged to contact TSA.

(End of clause)

#### **I.20 EVALUATION OF CONTRACTOR PARTICIPATION IN THE TSA MENTOR PROTÉGÉ PROGRAM (TSAAMS 3.6.1-10) (JAN 1999)**

TSA will evaluate the proposed participation and extent of developmental assistance to be provided by mentor firms to protégé firms as an approved mentor firm in the TSA Mentor-Protégé Program.

(End of clause)

#### **I.21 MENTOR REQUIREMENTS AND EVALUATION (TSAAMS 3.6.1-11) (FEBRUARY 2003)**

(a) The purpose of the TSA Mentor-Protégé Program is for a TSA prime contractor to provide developmental assistance to qualifying eligible protégés include Historically Black Colleges and Universities, Minority Institutions, Small Socially and Economically Disadvantaged Business concerns including women-owned small businesses, as those terms are defined herein.

(b) Performance Evaluation Process. The TSA will evaluate the contractor's performance through the source evaluation process. The source evaluation will consider the following:

(1) Specific actions taken by the contractor, during the evaluation period , to increase the participation of protégés as suppliers to the Federal Government;

(2) Specific actions taken by the contractor, during the evaluation period, to develop the technical and corporate administrative expertise of a protégé as defined in the agreement;

(3) To what extent the protégé has met the developmental objectives in the agreement; and

(4) To what extent the mentor-firm's participation in the Mentor-Protégé Program resulted in the protégé's receiving competitive contract(s) and subcontract(s) from private firms and agencies other than the TSA.

(c) Semi-annual reports shall be submitted by the mentor to the TSA Mentor-Protégé Program.

(d) The mentor shall notify the TSA OSDDBU, in writing, at least 30 days in advance of the mentor-firm's intent to voluntarily withdraw from the program or upon receipt of a protégé's notice to withdraw from the Program.

(e) Mentor- and protégé-firms shall submit a "lessons learned" evaluation to the TSA OSDDBU at the conclusion of the program period or the conclusion of their efforts whichever comes first. At the conclusion of each year in the mentor-protégé program, the prime contractor and protégé, as appropriate, will formally brief the TSA Mentor-Protégé Program Manager, the technical Program Manager, and the Contracting Officer during the formal program review regarding program accomplishments as pertains to the approved agreement.

(f) TSA may terminate Mentor-Protégé agreements and exclude mentor or protégé-firms from participating in the TSA program if TSA determines that such actions are in TSA's best interest. TSA will terminate an agreement by delivering to the contractor a notice specifying the reason for termination and the effective date. Termination of an agreement does not constitute a termination of the subcontract between the mentor and the protégé. A plan for accomplishing the subcontract effort, should the agreement be terminated, shall be submitted with the agreement.

(End of clause)

## **I.22 PAYMENT FOR OVERTIME PREMIUMS (TSA 3.6.2.17) (FEB 2003)**

(a) The use of overtime is authorized under this contract if the overtime premium cost does not exceed (To be completed at contract award) or the overtime premium is paid for work--

(1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of

a sporadic nature;

(2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;

(3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or

(4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall—

(1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;

(2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;

(3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and

(4) Provide reasons why the required work cannot be performed by using multi-shift operations or by employing additional personnel.

(End of clause)

### **I.23 PREVENTION OF SEXUAL HARASSMENT (TSAAMS 3.6.2-35) (FEB 2003)**

(a) "Sexual Harassment", as used in this clause, means unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature when (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals; or (iii) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance, or creating an intimidating, hostile, or offensive working environment.

(b) It is TSA policy that sexual harassment will not be tolerated or condoned in the TSA workplace. It is also TSA's intent to effectively address inappropriate conduct before it rises to the levels proscribed by the Equal Employment Opportunity Commission as "sexual harassment".

(c) The Contractor agrees to support this policy in performing work under this contract, and that sexual harassment in any form will not be tolerated in the TSA workplace.

(d) If the Contractor, or a subcontractor of any tier, subcontracts any portion of the work under this contract, each such subcontract shall include this provision.

(e) The Contractor shall take whatever corrective action it deems necessary to promptly address sexual harassment in the TSA workplace or on an TSA site. The Contractor agrees to immediately provide the Contracting Officer all relevant information pertaining to any such

conduct, and notify him/her of planned corrective action.

(f) The Contracting Officer may require the Contractor to remove employee(s) from the TSA worksite that the Contracting Officer deems to have engaged in sexual harassment.

(g) Any TSA action under subsection (f) above does not relieve the Contractor of its liability or obligations under the Civil Rights Act of 1964, or any other applicable law or regulation.

(End of clause)

## **I.24 MATERIAL REQUIREMENTS (TSAAMS 3.6.3-15) (FEB 2003)**

(a) Definitions:

(1) New as used in this clause, means composed of previously unused components, whether manufactured from virgin material, recovered material in the form of raw material, or materials and by-products generated from, and reused within, an original manufacturing process; provided that the supplies meet contract requirements, including but not limited to, performance, reliability, and life expectancy.

(2) "Reconditioned" as used in this clause, means restored to the original normal operating condition by readjustments and material replacement.

(3) "Recovered material" as used in this clause, means waste materials and by-products recovered or diverted from solid waste, but the term does not include those materials and by-products generated from, and commonly reused within, an original manufacturing process.

(4) "Remanufactured" as used in this clause, means factory rebuilt to original specifications.

(5) "Virgin material" as used in this clause, means

(i) Previously unused raw material, including previously unused copper, aluminum, lead, zinc, iron, other metal or metal ore; or

(ii) Any undeveloped resource that is, or with new technology will become, a source of raw materials.

(b) The Contractor agrees: To provide supplies that are new, reconditioned, or remanufactured, as defined in this clause, unless this contract otherwise requires virgin material or supplies composed of or manufactured from virgin material.

(c) A proposal to provide unused former Government surplus property shall include a complete description of the material, the quantity, the name of the Government agency from which acquired, and the date of acquisition.

(d) A proposal to provide used, reconditioned, or remanufactured supplies shall include a detailed description of such supplies and shall be submitted to the Contracting Officer for approval.

(e) Used, reconditioned, or remanufactured supplies, or unused former Government surplus property, may be used in contract performance if the Contractor has proposed the use of such supplies, and the Contracting Officer has authorized their use.

(End of clause)

**I.25 NOTICE OF DELAY (TSAAMS 3.10.1-24) (FEBRUARY 2003)**

If the Contractor becomes unable to complete the contract work at the time(s) specified because of technical difficulties, notwithstanding the exercise of good faith and diligent efforts in the performance of the work called for hereunder, the Contractor shall give the Contracting Officer written notice of the anticipated delay and the reasons therefore. Such notice and reasons shall be delivered promptly after the condition creating the anticipated delay becomes known to the Contractor, but in no event less than forty-five (45) days before the completion date specified in this contract, unless otherwise directed by the Contracting Officer. When the notice is required, the Contracting Officer may extend the time specified in the Schedule for the period determined in the best interest of the Government.

(End of clause)

**I.26 NOVATION AND CHANGE-OF-NAME AGREEMENTS (TSAAMS 3.10.1-25)  
(JAN 2003)**

a. In the event the Contractor wishes the Government to recognize a successor in interest to the contract due to a complete transfer of assets required to perform the contract or an applicable merger, the Contractor must submit a written request to the Contracting Officer with the required documentation. This is required in order to obtain the Government's consent for the successor Contractor to assume contract performance and receive payments for deliveries. b. For a change of Contractor name the contractor agrees to provide the necessary documentation to establish that a legal name change has been made, including any revision to payment addresses/accounts. c. The Contractor agrees to follow the procedures and provide the documents, as requested by the cognizant Contracting Officer, described in FAA Procurement Guidance entitled "Novation and Change-Of-Name Agreements" published at [http://fasteditapp.faa.gov/ams/do\\_action?do\\_action=LinkSection&contentVersionUID=5560&contentUID=3&sectionNumber=0.37.1.8](http://fasteditapp.faa.gov/ams/do_action?do_action=LinkSection&contentVersionUID=5560&contentUID=3&sectionNumber=0.37.1.8)

d. When it is in the Government's interest not to concur in the transfer of the contract from one company to another, the Contractor remains subject to all contract terms and conditions including termination for default should the Contractor fail to perform.

(End of Clause)

**I.27 SUBCONTRACTS – COST REIMBURSEMENT AND CEILING PRICED  
CONTRACTS (TSA 3.10.2.2) (FEB 2003)**

(a) Subcontract, as used in this clause, includes but is not limited to purchase orders, and changes and modifications to purchase orders. The Contractor shall notify the Contracting Officer reasonably in advance of entering into any subcontract if:

(1) The proposed subcontract is of the cost-reimbursement, time-and-materials, or labor-hour type;

(2) The proposed subcontract is fixed-price and exceeds either \$100,000 or 5 percent of the total estimated cost of this contract;

(3) The proposed subcontract has experimental, developmental, or research work as one of its purposes; or

(4) This contract is not a facilities contract and the proposed subcontract provides for the fabrication, purchase, rental, installation, or other acquisition of special test equipment valued in excess of \$25,000 or of any items of facilities.

(b) (1) In the case of a proposed subcontract that (i) is of the cost-reimbursement, time-and-materials, or labor-hour type and is estimated to exceed \$25,000, including any fee, (ii) is proposed to exceed \$100,000, or (iii) is one of a number of subcontracts with a single subcontractor, under this contract, for the same or related supplies or services that, in the aggregate, are expected to exceed \$100,000, the advance notification required by paragraph (a) above shall include the information specified in subparagraph (2) below.

(2) (i) A description of the supplies or services to be subcontracted.

(ii) Identification of the type of subcontract to be used.

(iii) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the competition obtained.

(iv) The proposed subcontract price and the Contractor's cost or price analysis.

(v) The subcontractor's current, complete, and accurate cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions.

(vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.

(vii) A negotiation memorandum reflecting-

(A) The principal elements of the subcontract price negotiations;

(B) The most significant considerations controlling establishment of initial or revised prices;

(C) The reason cost or pricing data were or were not required;

(D) The extent, if any, to which the Contractor did not rely on the subcontractor's cost or pricing data in determining the price objective and in negotiating the final price;

(E) The extent to which it was recognized in the negotiation that the subcontractor's cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;

(F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and

(G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.

(c) The Contractor shall obtain the Contracting Officer's written consent before placing any subcontract for which advance notification is required under paragraph (a) above. However, the Contracting Officer may ratify in writing any such subcontract. Ratification shall constitute the consent of the Contracting Officer.

(d) If the Contractor has an approved purchasing system and the subcontract is within the scope of such approval, the Contractor may enter into the subcontracts described in subparagraphs (a)(1) and (a)(2) of this clause without the consent of the Contracting Officer.

(e) Even if the Contractor's purchasing system has been approved, the Contractor shall obtain the Contracting Officer's written consent before placing subcontracts identified below:

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(f) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination:

(1) of the acceptability of any subcontract terms or conditions,

(2) of the allowability of any cost under this contract, or

(3) to relieve the Contractor of any responsibility for performing this contract.

g) No subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis.

(h) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.

(i) Additionally, the Contractor shall include in each cost- reimbursement subcontract under this contract a requirement that the subcontractor insert the substance of the appropriate modified subparagraph referred to in subparagraph (1) above in each lower tier price redetermination or incentive price revision subcontract under that subcontract.

(j) To facilitate small business participation in subcontracting, the Contractor agrees to provide payments on subcontracts under this contract that are fixed-price subcontracts with small business concerns in conformity with the standards for customary payments, as in effect on the date of this

contract. The Contractor further agrees that the need for such financing payments will not be considered a handicap or adverse factor in the award of subcontracts.

(k) The Government reserves the right to review the Contractor's purchasing system.

(End of clause)

## **I.28 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (TSAAMS 3.10.2-6 ) (FEB 2003)**

### **I. Definition.**

(a) "Commercial item," as used in this clause, means:

(1) Any item, other than real property, that is of a type customarily used for nongovernmental purposes and that--

(i) Has been sold, leased, or licensed to the general public; or

(ii) Has been offered for sale, lease, or license to the general public;

(2) Any item that evolved from an item described in paragraph I(a)(1) of this clause through advances in technology or performance and that is not yet available in the commercial marketplace, but will be available in the commercial marketplace in time to satisfy the delivery requirements under a pending Government contract;

(3) Any item that would satisfy a criterion expressed in paragraphs I(a)(1) or (a)(2) of this clause, but for--

(i) Modifications of a type customarily available in the commercial marketplace; or

(ii) 'Minor' modifications of a type not customarily available in the commercial marketplace made to meet Federal Government requirements. 'Minor' modifications means modifications that do not significantly alter the nongovernmental function or essential physical characteristics of an item or component, or change the purpose of a process. Factors to be considered in determining whether a modification is minor include the value and size of the modification and the comparative value and size of the final product. Dollar values and percentages may be used as guideposts, but are not conclusive evidence that a modification is minor.

(4) Any combination of items meeting the requirements of paragraphs I(a)(1), (2), (3), or (5) of this clause that are of a type customarily combined and sold in combination to the general public;

(5) Installation services, maintenance, services, repair services, training services, and other services if such services are procured for support of an item referred to in paragraphs I(a)(1), (2), (3), or (4) of this clause, and if the source of such



services--

(i) Offers such services to the general public and the Federal Government contemporaneously and under similar terms and conditions; and

(ii) Offers to use the same work force for providing the Federal Government with such services as the source uses for providing such services to the general public;

(6) Services of a type offered and sold competitively in substantial quantities in the commercial marketplace based on established catalog or market prices for specific tasks performed, under standard commercial terms and conditions. This does not include services that are sold based on hourly rates without an established catalog or market price for a specific service performed;

(7) Any item, combination of items, or service referred to in subparagraphs I(a)(1) through (a)(6), notwithstanding the fact that the item, combination of items, or service is transferred between or among separate divisions, subsidiaries, or affiliates of a Contractor; or

(8) A non-developmental item, if the procuring agency determines the item was developed exclusively at private expense and sold in substantial quantities, on a competitive basis, to multiple State and local Governments.

(b) "Subcontract," as used in this clause, includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

II. To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or non-developmental items as components of items to be supplied under this contract.

III. Notwithstanding any other clause of this contract, the Contractor is not required to include any TSA Acquisition Management System provision or clause, other than those listed below to the extent they are applicable and as may be required to establish the reasonableness of prices, in a subcontract at any tier for commercial items or commercial components:

(a) Equal Opportunity (E.O. 11246);

(2) Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 4212(a));

(b) Affirmative Action for Handicapped Workers (29 U.S.C. 793); and

(c) Preference for Privately Owned U.S.-Flagged Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

IV. The Contractor shall include the terms of this clause, including this paragraph IV, in subcontracts awarded under this contract.

(End of clause)

**I.29 SUBMISSION OF COMMERCIAL TRANSPORTATION BILLS TO THE  
GENERAL SERVICES ADMINISTRATION FOR AUDIT (TSAAMS  
3.11365) (FEB 2003)**

(a) (1) In accordance with paragraph (a)(2) of this clause, the Contractor shall submit to the General Services Administration (GSA) for audit, legible copies of all paid freight bills/invoices, commercial bills of lading (CBL's), passenger coupons, and other supporting documents for transportation services on which the United States will assume freight charges that were paid --

(i) By the Contractor under a cost-reimbursement contract; and

(ii) By a first-tier subcontractor under a cost reimbursement subcontract thereunder.

(2) Cost-reimbursement Contractors shall only submit for audit those CBL's with freight shipment charges exceeding \$50.00. Bills under \$50.00 shall be retained on-site by the contractor and made available for GSA on-site audits. This exception only applies to freight shipment bills and is not intended to apply to bills and invoices for any other transportation services.

(b) The Contractor shall forward copies of paid freight bills/invoices, CBL's, passenger coupons, and supporting document as soon as possible following the end of the month, in one package to the:

General Services Administration

ATTN: FWA

1800 F Street, NW

Washington, DC 20405

The Contractor shall include the paid freight bills/invoices, CBL's, passenger coupons, and supporting documents for first-tier subcontractors under a cost-reimbursement contract. If the inclusion of the paid freight bills/invoices CBL's passenger coupons, and supporting documents for any subcontractor in the shipment is not practicable, the documents may be forwarded to GSA in a separate package.

(c) Any original transportation bills or other documents requested by GSA shall be forwarded promptly by the Contractor to GSA. The Contractor shall insure that the name of the contracting agency is stamped or written in the face of the bill before sending it to GSA.

(d) A statement prepared in duplicate by the Contractor shall accompany each shipment of transportation documents. GSA will acknowledge receipt of the shipment by signing and returning the copy of the statement. The statement shall show --

(1) The name and address of the Contractor.

(2) The contract number, including any alpha-numeric prefix identifying the contracting office.

(3) The name and address of the contracting office.

(4) The total number of bills submitted with the statement: and

(5) A listing of the respective amounts paid or, in lieu of such listing, an adding machine tape of the amounts paid showing the Contractor's voucher or check numbers.

(End of clause)

**I.30 SEAT BELT USE BY CONTRACTOR EMPLOYEES (TSAAMS 3.13-5) (FEB 2003)**

In accordance with Executive Order 13043 entitled "Increasing Seat Belt Use in the U.S.," the Contractor is encouraged to implement, communicate and enforce on the job seat belt policies and programs for their employees and subcontractors when operating company-owned, rented or personally-owned vehicles in the performance of this contract.

(End of clause)

**I.31 NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES**

(a) *Definition* . As used in this clause-

"United States" means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.

(b) Except as provided in paragraph (e) of this clause, during the term of this contract, the Contractor shall post a notice, in the form of a poster, informing employees of their rights concerning union membership and payment of union dues and fees, in conspicuous places in and about all its plants and offices, including all places where notices to employees are customarily posted. The notice shall include the following information (except that the information pertaining to National Labor Relations Board shall not be included in notices posted in the plants or offices of carriers subject to the Railway Labor Act, as amended (45 U.S.C. 151-188)).

**Notice to Employees**

Under Federal law, employees cannot be required to join a union or maintain membership in a union in order to retain their jobs. Under certain conditions, the law permits a union and an employer to enter into a union-security agreement requiring employees to pay uniform periodic dues and initiation fees. However, employees who are not union members can object to the use of their payments for certain purposes and can only be required to pay their share of union costs relating to collective bargaining, contract administration, and grievance adjustment.

If you do not want to pay that portion of dues or fees used to support activities not related to collective bargaining, contract administration, or grievance adjustment, you are entitled to an appropriate reduction in your payment. If you believe that you have been required to pay dues or fees used in part to support activities not related to collective bargaining, contract administration, or grievance adjustment, you may be entitled to a refund and to an appropriate reduction in future payments.

For further information concerning your rights, you may wish to contact the National Labor Relations Board (NLRB) either at one of its Regional offices or at the following address or toll free number:

National Labor Relations Board, Division of Information  
1099 14<sup>th</sup> Street, N.W.  
Washington, DC 20570

1-866-667-6572  
1-866-316-6572 (TTY)

To locate the nearest NLRB office, see NLRB's website at <http://www.nlrb.gov>.

(c) The Contractor shall comply with all provisions of Executive Order 13201 of February 17, 2001, and related implementing regulations at 29 CFR part 470, and orders of the Secretary of Labor.

(d) In the event that the Contractor does not comply with any of the requirements set forth in paragraphs (b), (c), or (g), the Secretary may direct that this contract be cancelled, terminated, or suspended in whole or in part, and declare the Contractor ineligible for further Government contracts in accordance with procedures at 29 CFR part 470, Subpart B-Compliance Evaluations, Complaint Investigations and Enforcement Procedures. Such other sanctions or remedies may be imposed as are provided by 29 CFR part 470, which implements Executive Order 13201, or as are otherwise provided by law.

(e) The requirement to post the employee notice in paragraph (b) does not apply to-

- (1) Contractors and subcontractors that employ fewer than 15 persons;
- (2) Contractor establishments or construction work sites where no union has been formally recognized by the Contractor or certified as the exclusive bargaining representative of the Contractor's employees;
- (3) Contractor establishments or construction work sites located in a jurisdiction named in the definition of the United States in which the law of that jurisdiction forbids enforcement of union-security agreements;
- (4) Contractor facilities where upon the written request of the Contractor, the Department of Labor Deputy Assistant Secretary for Labor-Management Programs has waived the posting requirements with respect to any of the Contractor's facilities if the Deputy Assistant Secretary finds that the Contractor has demonstrated that-
  - (i) The facility is in all respects separate and distinct from activities of the Contractor related to the performance of a contract; and
  - (ii) Such a waiver will not interfere with or impede the effectuation of the Executive order; or
- (5) Work outside the United States that does not involve the recruitment or employment of workers within the United States.

(f) The Department of Labor publishes the official employee notice in two variations; one for contractors covered by the Railway Labor Act and a second for all other contractors. The Contractor shall-

- (1) Obtain the required employee notice poster from the Division of Interpretations and Standards, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N-5605, Washington, DC 20210, or from any field office of the Department's Office of Labor-Management Standards or Office of Federal Contract Compliance Programs;

(2) Download a copy of the poster from the Office of Labor-Management Standards website at <http://www.olms.dol.gov> ; or

(3) Reproduce and use exact duplicate copies of the Department of Labor's official poster.

(g) The Contractor shall include the substance of this clause in every subcontract or purchase order that exceeds the simplified acquisition threshold, entered into in connection with this contract, unless exempted by the Department of Labor Deputy Assistant Secretary for Labor-Management Programs on account of special circumstances in the national interest under authority of 29 CFR 470.3(c). For indefinite quantity subcontracts, the Contractor shall include the substance of this clause if the value of orders in any calendar year of the subcontract is expected to exceed the simplified acquisition threshold. Pursuant to 29 CFR part 470, Subpart B-Compliance Evaluations, Complaint Investigations and Enforcement Procedures, the Secretary of Labor may direct the Contractor to take such action in the enforcement of these regulations, including the imposition of sanctions for noncompliance with respect to any such subcontract or purchase order. If the Contractor becomes involved in litigation with a subcontractor or vendor, or is threatened with such involvement, as a result of such direction, the Contractor may request the United States, through the Secretary of Labor, to enter into such litigation to protect the interests of the United States.

(End of clause)

[END OF SECTION]

## **SECTION J: LIST OF ATTACHMENTS**

- J.1 TSA ASSESSMENT REQUIREMENTS FOR SCREENERS
- J.2 TSA'S CREDENTIALING REQUIREMENTS FOR SCREENERS
- J.3 OVERVIEW OF VALIDATION PRINCIPLES AND SELECTION PROCEDURES
- J.4 SPP HIRING PLAN TEMPLATE
- J.5 TRAINING PLAN TEMPLATE, COURSES AND REQUIREMENTS
- J.6 SCREENER UNIFORMS AND UNIFORM DIRECTIVES
- J.7 WAGE DETERMINATION
- J.8 SECURITY REQUIREMENTS
- J.9 VOLUNTARY ABANDONED PROPERTY (VAP)
- J.10 TSA GOVERNMENT FURNISHED PROPERTY (GFP) MAINTENANCE REQUIREMENTS
- J.11 SUGGESTED VENDORS FOR THE PURCHASING OF CONSUMABLES
- J.12 SAFETY AND HEALTH – TSA CONTRACTS
- J.13 ACRONYMS AND DEFINITIONS
- J.14 SMALL BUSINESS SUBCONTRACTING PLAN
- J.15 GOVERNMENT FURNISHED EQUIPMENT LIST

**SECTION K: REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS OR RESPONDENTS**

**Section K Index:**

Section Clause No.	\$	BUS. SIZE	CPAF	FPAF	TSAAMS CLAUSE NO.	DATE	TITLE
K.1			✓	✓	3.1.1	JAN 2005	CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE
K.2			✓	✓			GENERAL
K.3			✓	✓			INSTRUCTIONS FOR ACCESSING AND USING ORCA
K.4			✓	✓			AFFIRMATION OF COMPLETED REPRESENTATIONS AND CERTIFICATIONS IN ORCA
K.5			✓	✓	3.1.7.5	FEB 2003	DISCLOSURE OF CONFLICTS OF INTEREST
K.6			✓	✓	3.2.2.3.2	FEB 2003	MINIMUM OFFER ACCEPTANCE PERIOD
K.7			✓	✓	3.2.2.3.10	FEB 2003	TYPE OF BUSINESS ORGANIZATION
K.8			✓	✓	3.2.2.3.15	FEB 2003	AUTHORIZED NEGOTIATORS
K.9			✓	✓	3.2.2.3.76	FEB 2003	REPRESENTATION – RELEASE OF CONTRACT INFORMATION
K.10			✓		3.2.3-1	APR 1996	COST ACCOUNTING STANDARDS (CAS) NOTICES AND CERTIFICATION
K.11			✓	✓	3.6.3-1	APR 2000	CLEAN AIR AND WATER CERTIFICATION
K.12			✓	✓	3.6.3-2	APR 1996	CLEAN AIR AND CLEAN WATER
K.13			✓	✓	3.8.2-18	FEB 2003	CERTIFICATION OF DATA
K.14			✓	✓			CERTIFICATION U.S. CITIZENS OWNED AND CONTROLLED COMPANY
K.15			✓	✓			CERTIFYING COMPANY OFFICIAL

**K.1 CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE  
(TSA 3.1.1) (FEB 2003)**

This RFI/RFP or contract, as applicable, incorporates by reference one or more provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offerors and contractors may obtain the full text via Internet at:

[http://www.tsa.gov/join/business/business\\_tsaams.shtm](http://www.tsa.gov/join/business/business_tsaams.shtm)

**For the purposes of soliciting comments on the draft RFP, the full text of all clauses incorporated by reference will be provided under separate cover.**

CPAF	FPAF	TSAAMS CLAUSE NUMBER	DATE	TITLE
✓	✓	3.2.5.7	JUN 1999	DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS

## **K.2 GENERAL**

(a) It is the policy of the Transportation Security Administration to have offerors complete annual representations and certifications via the Online Representations and Certifications Application. Instructions for accessing ORCA and completing standard representations and certifications via ORCA are contained in the provisions below.

(b) In addition to the standard representations and certifications completed in ORCA, TSA requires the completion of additional representations and certifications as part of a response to a solicitation. Those representations and certifications are provided in full text below. Offerors must complete both the ORCA and the TSA representations and certifications as part of their response to this solicitation.

## **K.3 INSTRUCTIONS FOR ACCESSING AND USING ORCA**

(a) Offerors shall complete electronic annual representations and certifications at <http://orca.bpn.gov> in conjunction with required registration in the Central Contractor Registration (CCR) database.

(b) Offerors shall update the representations and certifications submitted to ORCA as necessary, but at least annually, to ensure they are kept current, accurate, and complete. The representations and certifications are effective until one year from date of submission or update to ORCA.

(c) To register with ORCA offerors must first register with the “Central Contractor Registration” (CCR) and acquire a “Data Universal Numbering System” (DUNS) number and a Marketing Partner Identification Number (MPIN). These items may be completed at <http://www.ccr.gov>.

(d) The (DUNS) number is a unique nine character identification number provided by the commercial company Dun & Bradstreet (D&B). Offerors should call D&B at 866-705-5711 if they do not have a DUNS number. The process to request a DUNS number takes about 10 minutes and is free of charge. Once an offeror has acquired a DUNS number they can then register with CCR.

(e) The Marketing Partner Identification Number (MPIN) is a 9-digit code containing at



least one alpha character and one number (no special characters or spaces). The MPIN is created by the offeror in the offeror's CCR record and acts as a password for other various government systems. The MPIN is the last data field in the "Points of Contact" section of the registration. After an offeror has entered the new MPIN in CCR, it will become active in ORCA when the CCR registration is activated.

(End of Provision)

#### **K.4 AFFIRMATION OF COMPLETED REPRESENTATIONS AND CERTIFICATIONS IN ORCA**

The offeror affirms, by submission of this offer, that it has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference.

(End of Provision)

#### **K.5 DISCLOSURE OF CONFLICTS OF INTEREST (TSA 3.1.7.5)(FEB 2003)**

It is the Transportation Security Administration (TSA) policy to award contracts to only those offerors whose objectivity is not impaired because of any related past, present, or planned interest, financial or otherwise, in organizations regulated by TSA or in organizations whose interests may be substantially affected by Agency activities. Based on this policy:

(a) The offeror shall provide a statement in its proposal which describes in a concise manner all past, present or planned organizational, financial, contractual or other interest(s) with an organization regulated by TSA, or with an organization whose interests may be substantially affected by Agency activities, and which is related to the work under this solicitation. The interest(s) described shall include those of the offeror, its affiliates, proposed consultants, proposed subcontractors and key personnel of any of the above. Past interest shall be limited to within one year of the date of the offeror's technical proposal. Key personnel shall include any person owning more than 20% interest in the offeror, and the offeror's corporate officers, its senior managers and any employee who is responsible for making a decision or taking an action on this contract where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

(b) The offeror shall describe in detail why it believes, in light of the interest(s) identified in (a) above, that performance of the proposed contract can be accomplished in an impartial and objective manner.

(c) In the absence of any relevant interest identified in (a) above, the offeror shall submit in its proposal a statement certifying that to its best knowledge and belief no affiliation exists relevant to possible conflicts of interest. The offeror must obtain the same information from potential subcontractors prior to award of a subcontract.

(d) The Contracting Officer will review the statement submitted and may require additional relevant information from the offeror. All such information, and any other relevant information known to TSA, will be used to determine whether an award to the offeror may create a conflict of interest. If any such conflict of interest is found to exist, the Contracting Officer may:

(1) disqualify the offeror, or

(2) determine that it is otherwise in the best interest of the United States to contract with the offeror and include appropriate provisions to mitigate or avoid such conflict in the contract awarded.

(e) The refusal to provide the disclosure or representation, or any additional information required, may result in disqualification of the offeror for award. If nondisclosure or misrepresentation is discovered after award, the resulting contract may be terminated. If after award the Contractor discovers a conflict of interest with respect to the contract awarded as a result of this solicitation, which could not reasonably have been known prior to award, an immediate and full disclosure shall be made in writing to the Contracting Officer. The disclosure shall include a full description of the conflict, a description of the action the Contractor has taken, or proposes to take, to avoid or mitigate such conflict. The Contracting Officer may, however, terminate the contract for convenience if he or she deems that termination is in the best interest of the Government.

(End of provision)

#### **K.6 MINIMUM OFFER ACCEPTANCE PERIOD (TSA 3.2.2.3.2)(FEB 2003)**

(a) "Acceptance period," as used in this provision, means the number of calendar days available to the Government for awarding a contract from the date specified in this RFP/RFS for receipt of offers.

(b) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this RFP/RFS.

(c) The Government requires a minimum acceptance period of 120 calendar days

(d) In the space provided immediately below, offerors may specify a longer acceptance period than the Government's minimum requirement. The offeror allows the following acceptance period: \_\_\_\_\_ calendar days.

(e) An offer allowing less than the Government's minimum acceptance period may be rejected.

(f) The offeror agrees to execute all that it has undertaken to do, in compliance with its offer, if that offer is accepted in writing within:

- (1) the acceptance period stated in paragraph (c) of this clause or
- (2) any longer acceptance period stated in paragraph (d) of this clause.

(End of provision)

**K.7 TYPE OF BUSINESS ORGANIZATION (TSA 3.2.2.3.10)(FEB 2003)**

The offeror, by checking the applicable box, represents that--

(a) It operates as ☐ a corporation incorporated under the laws of the State of \_\_\_\_\_, ☐ an individual, ☐ a partnership, ☐ a nonprofit organization, or ☐ a joint venture.

(b) If the offeror or quoter is a foreign entity, it operates as ☐ individual, ☐ a partnership, ☐ a nonprofit organization, ☐ a joint venture, or ☐ a corporation, registered for business in \_\_\_\_\_. (country)

(End of provision)

**K.8 AUTHORIZED NEGOTIATORS (TSA 3.2.2.3.15)(FEB 2003)**

The offeror represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this submittal:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number \_\_\_\_\_

(End of provision)

**K.9 REPRESENTATION – RELEASE OF CONTRACT INFORMATION (TSA 3.2.2.3.76) (FEB 2003)**

(a) Any contract resulting from the issuance of this Request for Proposals/Request For Submittals (RFP/RFS) may be the subject of a request for release pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. Section 552.

(b) As an aid in responding to requests for information, this provision facilitates the review and screening process used in determining the releasability of the contract(s) in whole or in part. Accordingly, the offeror's response to this RFP/RFS relative to potential release of information contained in any resultant contract is set forth at (c) below.

(c) REPRESENTATION CONCERNING RELEASE OF CONTRACT  
INFORMATION--

The offeror represents that--(1)[ ] It has made a complete review of its submittal(s) in response to this RFP/RFS and that no exemption from mandatory release under FOIA exists, and, (2)[ ] It has no objection to the release of any contract it may be awarded in whole or in part resulting from this RFP/RFS.

OR

The offeror represents that [ ] its submittal(s) in response to this RFP/RFS contains information that is exempt from mandatory release under FOIA. Accordingly, the offeror represents that--(1)[ ] It has specifically identified via placement of restrictive markings on any sensitive documents submitted in response to this RFP/RFS such as trade secrets, proprietary information, or commercial or financial information that is privileged or confidential, and (2)[ ] It, as the party that provided the information, has furnished the contracting officer by separate letter concurrent with this submittal detailed information specifically listing the page(s) to be withheld complete with any and all legal justifications which would permit the TSA to invoke an exemption to the FOIA.

(End of provision)

**K.10 COST ACCOUNTING STANDARDS (CAS) NOTICES AND  
CERTIFICATION (TSAAMS 3.2.3-1) (April 1996)**

*For use in CPAF contracts.*

Note: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified as the following subsections I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

**I. DISCLOSURE STATEMENT-COST ACCOUNTING PRACTICES AND  
CERTIFICATION**

(a) Any contract in excess of \$500,000 resulting from this RFI/RFP, except contracts in

which the price negotiated is based on

(1) established catalog or market prices of commercial items sold in substantial quantities to the general public, or

(2) prices set by law or regulation, will be subject to the requirements of CAS rules, except for those contracts which are exempt as specified in CAS rules.

(b) Any offeror submitting a offer which, if accepted, will result in a contract subject to the requirements of CAS rules must, as a condition of contracting, submit a Disclosure Statement as required by CAS rules. The Disclosure Statement must be submitted as a part of the offer under this RFI/RFP unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this offer. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

Caution: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing offers or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

☐ (1) Certificate of Concurrent Submission of Disclosure Statement.

The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) Original and one copy to the cognizant Contracting Officer (CO), and (ii) One copy to the cognizant contract auditor. (Disclosure must be on Form No. CASB DS-1. Forms may be obtained from the cognizant CO.)

Date of Disclosure Statement

\_\_\_\_\_

Name and Address of Cognizant ACO where filed

\_\_\_\_\_

The offeror further certifies that practices used in estimating costs in pricing this offer are consistent with the cost accounting practices disclosed in the Disclosure Statement.

☐ (2) Certificate of Previously Submitted Disclosure Statement.

The offeror hereby certifies that Disclosure Statement was filed as follows:

Date of Disclosure Statement:

\_\_\_\_\_

Name and Address of Cognizant CO where filed:

---

The offeror further certifies that the practices used in estimating costs in pricing this offer are consistent with the cost accounting practices disclosed in the applicable disclosure statement.

☐ (3) Certificate of Monetary Exemption.

The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling more than \$25 million (of which at least one award exceeded \$1 million) in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this offer, the offeror will advise the Contracting Officer immediately.

☐ (4) Certificate of Interim Exemption.

The offeror hereby certifies that

(i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and

(ii) in accordance with CAS rules, the offeror is not yet required to submit a Disclosure Statement.

The offeror further certifies that if an award resulting from this offer has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

Caution: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$25 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with offers submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

## II. COST ACCOUNTING STANDARDS-ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the offeror is eligible to use the modified provisions of CAS rules and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

☐ The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of CAS rules and certifies that the

offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this offer was submitted, the offeror received less than \$25 million in awards of CAS-covered prime contracts and subcontracts, or the offeror did not receive a single CAS-covered award exceeding \$1 million. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

Caution: An offeror may not claim the above eligibility for modified contract coverage if this offer is expected to result in the award of a CAS-covered contract of \$25 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$25 million or more.

### III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

☐ Yes ☐ No

(End of provision)

### **K.11 CLEAN AIR AND WATER CERTIFICATION (TSAAMS 3.6.3-1) (April 2000)**

The Offeror's signature on this contract constitutes an affirmative attestation that:

- (a) Any facility to be used in the performance of this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities;
- (b) The Offeror will immediately notify the Contracting Officer, of the receipt of any communication from the Administrator, or a designee, of the EPA, indicating that any facility that the Offeror uses for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and
- (c) The Offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

(End of provision)

### **K.12 CLEAN AIR AND CLEAN WATER (TSAAMS 3.6.3-2) (April 1996)**

(a) Definitions:

- (1) Air Act, as used in this clause, means the Clean Air Act (42 U.S.C. 7401 et seq.).
- (2) Clean air standards, as used in this clause, means--

(i) Any enforceable rules, regulations, guidelines, standards, limitations, orders, controls, prohibitions, work practices, or other requirements contained in, issued under, or otherwise adopted under the Air Act or Executive Order 11738;

(ii) An applicable implementation plan as described in section 110(d) of the Air Act (42 U.S.C. 7410(d));

(iii) An approved implementation procedure or plan under section 111(c) or section 111(d) of the Air Act (42 U.S.C. 7411(c) or (d)); or

(iv) An approved implementation procedure under section 112(d) of the Air Act (42 U.S.C. 7412(d)).

(3) Clean water standards, as used in this clause, means any enforceable limitation, control, condition, prohibition, standard, or other requirement promulgated under the Water Act or contained in a permit issued to a discharger by the Environmental Protection Agency (EPA) or by a State under an approved program, as authorized by section 402 of the Water Act (33 U.S.C. 1342), or by local government to ensure compliance with pretreatment regulations as required by section 307 of the Water Act (33 U.S.C. 1317).

(4) Compliance, as used in this clause, means compliance with--

(i) Clean air or water standards; or

(ii) A schedule or plan ordered or approved by a court of competent jurisdiction, the Environmental Protection Agency (EPA), or an air or water pollution control agency under the requirements of the Air Act or Water Act and related regulations.

(5) Facility, as used in this clause, means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Contractor or subcontractor, used in the performance of a contract or subcontract. When a location or site of operations includes more than one building, plant, installation, or structure, the entire location or site shall be deemed a facility except when the Administrator, or a designee, of the Environmental Protection Agency (EPA) determines that independent facilities are collocated in one geographical area.

(6) Water Act, as used in this clause, means Clean Water Act (33 U.S.C. 1251 et seq.).

(b) The Contractor agrees:

(1) To comply with all the requirements of section 114 of the Clean Air Act (42 U.S.C. 7414) and section 308 of the Clean Water Act (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in section 114 and section 308 of the Air Act and the Water Act, and all regulations and



guidelines issued to implement those acts before the award of this contract;

(2) That no portion of the work required by this prime contract will be performed in a facility listed on the EPA List of Violating Facilities on the date when this contract was awarded unless and until the EPA eliminates the name of the facility from the listing;

(3) To use best efforts to comply with clean air standards and clean water standards at the facility in which the contract is being performed; and

(4) To insert the substance of this clause into any nonexempt subcontract, including this subparagraph (b)(4).

(End of clause)

### **K.13 CERTIFICATION OF DATA (TSA 3.8.2.18)(FEB 2003)**

(a) The offeror represents and certifies that to the best of its knowledge and belief, the information and/or data (e.g., company profile, qualifications, background statements, brochures) submitted with its offer is current, accurate, and complete as of the date of its offer.

(b) The offeror understands that any inaccurate data provided to the Transportation Security Administration may subject the offeror, its employees, or its representatives to: (1) prosecution for false statements pursuant to 18 U.S.C. 1001 and/or; (2) enforcement action for false claims or statements pursuant to the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. 3801-3812 and 49 CFR Part 31 and/or; (3) termination for default under any contract resulting from its offer and/or; (4) debarment or suspension.

(c) The offeror agrees to obtain a similar certification from its subcontractors.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Typed Name and Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

This certification concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

(End of provision)

### **K.14 CERTIFICATION U.S. CITIZENS OWNED AND CONTROLLED COMPANY**

(a) The Aviation Transportation Security Act (ATSA) provides the qualification criteria for the security screening pilot and the private security screening programs under which ATSA must treat an entity as a “qualified private screening company” (*see generally* 49

*U.S.C. Sections 44919 and 44920*). Pursuant to the ATSA, the entity must:

- (1) be a private company,
  - (2) employ individuals that meet all the requirements applicable to Federal Government personnel who perform screening services,
  - (3) provide compensation and other benefits to such individuals that are not less than the level of compensation and other benefits provided to Federal Government personnel,
  - (4) provide a level of screening services and protection equal to or greater than the level that would be provided at the airport by Federal Government personnel, and
  - (5) the private company must be owned and controlled by a citizen of the United States, to the extent that the Administrator determines that there are private screening companies owned and controlled by such citizens (*id*). ATSA specifically defines qualification of private screening companies to be owned and controlled by a citizen of the United States.
- (b) Qualified Screening Company has been defined as a company “owned and controlled by a citizen of the United States”. TSA also interprets ATSA to require that a qualified private screening company be a private entity that is:

- (1) a partnership of which each member is a U.S. citizen, or
- (2) a corporation or association organized under the laws of the United States or a State, the District of Columbia or a territory or possession of the United States, of which the president and at least two-thirds of the board of directors and other managing officers are citizens of the United States and in which at least 75 percent of the voting interest is owned and controlled by persons that are citizens of the United States.

(c) I, \_\_\_\_\_, a duly authorized representative of

\_\_\_\_\_  
(name of authorized representative)

(name of

company)  
certify that the company meets the U.S. owned and controlled requirements as specified in paragraphs (b) and (c) of this provision. I further certify that this company will remain

under U.S. ownership and control over the term of this agreement. I agree to immediately notify the Contracting Officer of any changes, or prospective changes, to U.S. ownership and control of the company.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

(End of provision)

**K.15 CERTIFYING COMPANY OFFICIAL**

Certifications completed by:

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

(End of provision)

[END OF SECTION]

**SECTION L: INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS OR RESPONDENTS.**

**Section L Index:**

<b>SECTION CLAUSE NUMBER</b>	<b>TITLE</b>
L.1	PROPOSAL INSTRUCTIONS
L.1.1	PURPOSE-GENERAL
L.1.2	PROPOSAL-GENERAL
L.1.3	DELIVERY OF OFFERS
L.1.4	PROPOSAL FORMAT AND PAGE LIMITATIONS
L.2	LIST OF EVALUATION FACTORS/INSTRUCTIONS FOR EVALUATION FACTORS
L.2.1	LIST OF EVALUATION FACTORS
L.2.2	INSTRUCTIONS FOR EVALUATION FACTORS
L.3	PREPROPOSAL CONFERENCE / SITE VISIT
L.4	GENERAL INFORMATION
L.4.1	AWARD WITHOUT COMMUNICATIONS/DISCUSSIONS
L.4.2	EXCEPTIONS AND DEVIATIONS
L.4.3	EXPENSES RELATED TO OFFEROR'S PROPOSAL
L.4.4	TIMEFRAME FOR CONTRACT AWARD
L.5	QUESTIONS
L.6	SERVICE OF PROTEST
L.7	USE OF NON-GOVERNMENT PERSONNEL DURING EVALUATIONS
L.8	ALTERNATIVE PROPOSALS NOT ACCEPTABLE – CONDITIONS OF AWARD
L.9	SENSITIVE SECURITY INFORMATION (SSI)
L.10	INDIVIDUAL SMALL BUSINESS SUBCONTRACTING PLAN
L.11	AIRPORT SPECIFIC INFORMATION
L.12	GUIDELINE FOR THE DEVELOPMENT OF COMPENSATION AND OTHER BENEFITS
L.13	TSA SCREENER PART-TIME EMPLOYEE BENEFITS – FACT SHEET
L.14	SECTION E ENTITLED “HOLIDAYS” OF THE TSA MANAGEMENT DIRECTIVE NO. 1100.61-2: HOURS FOR THE TRANSPORTATION SECURITY SCREENER WORKFORCE

## **L.1 PROPOSAL INSTRUCTIONS**

### **L.1.1 Purpose -- General**

These instructions prescribe the format for the proposal and describe the approach for preparation and presentation of the proposal data. Noncompliance with these instructions may be cause for rejection of the Offeror's proposal.

### **L.1.2 Proposal – General**

Each proposal shall contain a glossary of unique terms, including all acronyms used. Each proposal volume shall contain a Table of Contents. All proposal pages and paragraphs shall be appropriately numbered (the Glossary of Unique Terms and the Table of Contents are NOT included in the total page count).

**Cost or price information shall be included in the cost proposal volume only.**

Any data previously submitted to the Government will not be considered in the evaluation of a proposal in response to this solicitation.

### **L.1.3 Delivery of Offers**

Offerors shall submit proposals to the address as shown in Section A, on Standard Form (SF) 33, Block Number 7. **One (1) hard original and four (4) hard copies of each proposal volume shall be provided. Additionally, there shall be two (2) CDs of the cost/price volume and two (2) separate CDs of each of the non-cost/price volumes. All originals, copies, and CDs are due no later than the date and time listed on form SF 33, Block 9.**

Proposals should be clearly marked with the solicitation number on the outermost mailing envelope.

Given the recent incidents with incoming mail to US Government facilities, mail has been delayed or stopped in some cases. Overnight delivery companies take an unknown number of days to reach TSA and are not a recommended method of delivery. Offerors are encouraged to hand deliver their proposal. Prospective Offerors should be aware that the TSA building is a secure building. All visitors must enter at the Visitor's Entrance located in the East Tower at 601 South 12th Street. Visitors will be required to walk through a metal detector, have all belongings screened by an x-ray system, show valid picture identification, and sign the visitor's log. Guards will telephone the visitor's TSA contact to announce their arrival and request a TSA employee come to the visitor's lobby to receive the package. These procedures WILL require extra time. Offerors must, therefore, ensure that any commercial delivery service or company employee have appropriate identification, and allow extra time for any hand carried deliveries. Delays encountered at the guard desk or refusal of admission DO NOT constitutes excusable delays. The Contract Specialist must receive proposals, no later than the exact time specified to be considered for award.

Receipt of offers by TSA at the specified location is the sole responsibility of the Offeror. Electronic copies (Proposals sent via Email) are not acceptable. Facsimile or telegraphic offers are NOT authorized. It is the responsibility of the Offeror to confirm that the submission was successfully received before the due date and time.

#### **L.1.4 Proposal Format and Page Limitations**

The proposal shall contain the following submissions within the page limitations listed below. The Government will not evaluate any information submitted beyond the maximum allowable page limits stated below.

##### Volume 1:

- a) Table of Contents (No Limit)
- b) Factor 1.0 Compliance
- c) 1.1 Proof of American Ownership
- d) 1.2 Accounting System (*Cost type contracts only*)
- e) 1.3 Small Business Subcontracting Plan (large businesses only) (No Limit)

##### Volume 2:

- a) Table of Contents (No Limit)
  - Cover Letter, to include contact information (Limit 1 page)
    - Cover Letter shall include the Offeror's name, complete address (including zip code and if applicable mail stop) (not a post office box), telephone number (including area code), fax number (including area code), and e-mail address.
- b) A signed and completed SF-33 for latest version of conformed RFP (One page)
- c) Section H.12 (Key Personnel) completed (One page)
- d) Section I.10 (Statement of Equivalent Rates for Federal Hires) completed (One page)
- e) Section K, completed or signed certification provided (No limit)
- f) Executive Summary (Limit 5 pages)
  - i) Executive Summary shall:
    - (1) Provide an overview of the Offeror's proposal
    - (2) Provide Offeror points of contact in the event proposal clarifications are required
    - (3) Include, for the Prime Contractor and all Subcontractors/Team Members, the Cognizant DCAA office and Supervisory auditor(s)
  - The Executive Summary will NOT be evaluated but must be included.
- g) Glossary of Unique Terms (No Limit)
- h) Factor 2.0 Technical Approach
  - i) Pre-transition/Transition Plan
    - (1) Plus 1 Copy of Schedule on CD and Hard Copy. The Schedule must also be provided in Gantt Chart Format by Work Breakdown Structure (WBS) (no page limit)
  - ii) Staffing Plan
  - iii) Hiring Plan
  - iv) Training Plan

Note: Factor 2 Technical Approach is limited to 25 pages, not including Pre-

- transition/Transition Plan Gantt Chart
- i) Factor 3.0 Management Approach
  - v) Management Structure
  - vi) Quality Control Plan
  - vii) Teaming Arrangement/ Subcontracting
- Note: Factor 3 is limited 15 pages; résumés are not included in the page limit but are limited to 2 pages each; Teaming Arrangement/Subcontracting is not included in page count.
- j) Factor 4.0 Scenario Response
  - viii) 4.1 Written Response (mandatory): (Limit 5 pages)
  - ix) 4.2 Oral Response: The submission of data shall be limited to only that information that can be presented during the time frame allotted (See L.2.2, Factor 4.0 for specific instructions)
- k) Factor 5.0 Past Performance
  - x) Completed Past Performance Questionnaires (no page limit)
  - xi) Past Performance (No Limit. See L.2.2, Factor 5.0 for specific instructions)

Volume 3:

- a) Table of Contents (No Limit)
- b) Factor 6.0 Cost/Price (No Limit)
  - i) 6.1 Cost Realism (Risk Assessment)
  - ii) 6.2 Financial Capability (Risk Assessment)

Offerors who include in their proposals restrictive data that they do not want disclosed to the public for any purpose or used by the Government except for evaluation purposes, shall:

- 1) Mark the title page with the following legend:

“This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used or disclosed – in whole or in part—for any purpose other than to evaluate this proposal. If, however, an ATO is awarded to this Offeror as a result of –or in connection with—the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting ATO. This restriction does not limit the Government’s right to use information contained in this data if it is obtained from another source without restriction. The data subject to the restriction is contained in sheets (insert numbers or other identification of sheets)”, and

- 2) Mark each sheet of data that should be restricted with the following legend:

“Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.”

Formats – Acceptable formats for all sections of the proposal:

Text Documents:                      Microsoft Word 2002 compatible                      Font Size: 12pt

<u>Slides:</u>	<u>Microsoft PowerPoint 2002 compatible</u>	<u>Font Size: At least 9 pt</u>
<u>Spreadsheets:</u>	<u>Microsoft Excel 2002 compatible</u>	<u>Font Size: At least 9 pt</u>
<u>Project Documents:</u>	<u>Microsoft Project 2002 compatible</u>	<u>Font Size: At least 9pt</u>

Paper Size: Proposal shall be prepared on standard 8-1/2" X 11" paper, single-spaced.

Foldouts: No foldouts are allowed

Font Type: Times New Roman

Tables, Charts, Figures, and Graphics Size: Font size must be no smaller than 9 pt.

## **L.2 INSTRUCTIONS FOR EVALUATION FACTORS**

### **L.2.1 List of Evaluation Factors**

#### **EVALUATION FACTORS**

Evaluation of proposals will consist of the Ratings on evaluation of the following factors:

<b>Proposal Volume #</b>	<b>Factor</b>	<b>Subfactor</b>	<b>Timeframe for Submission</b>
1	1.0 Compliance	1.1 Proof of American Ownership (Pass/Fail)	15 days after release of RFP
		1.2 Accounting System (Pass/Fail) <i>(Cost type contracts only)</i>	15 days after release of RFP
		1.3 Small Business Subcontracting Plan (Pass/Fail)	30 days after release of RFP
2	2.0 Technical Approach	Pre-Transition and Transition Plan	30 days after release of RFP
		Staffing Plan	30 days after release of RFP
		Hiring Plan	30 days after release of RFP
		Training Plan	30 days after release of RFP
	3.0 Management Approach	Management Structure	30 days after release of RFP
		Quality Control Plan	30 days after release of RFP
		Teaming Arrangement/Subcontracting	30 days after release of RFP
	4.0 Scenario Response	4.1 Written Response (Mandatory)	30 days after release of RFP
		4.2 Oral Response	To be determined
	5.0 Past Performance	Past Performance	30 days after release of RFP
3	6.0 Cost	6.1 Cost Realism (Risk Assessment)	30 days after release of RFP
		6.2 Financial Capability (Risk Assessment)	15 days after release of RFP

*\*(These days are approximations and will be firm requirements when the formal RFP is released)*



## **L.2.2 Instructions for Evaluation Factors**

**Shown below are the instructions for the above listed evaluation factors:**

### **EVALUATION FACTORS**

#### **FACTOR 1.0 – COMPLIANCE**

The Offeror shall submit each subfactor within Factor 1.0 Compliance in a separate volume. The following list identifies the corresponding volume for each subfactor of Factor 1.0:

- 1 Volume 1: Subfactor 1.1 Proof of American Ownership (Pass/Fail)  
Subfactor 1.2 Accounting System (Pass/Fail) (*Cost type contracts only*)  
Subfactor 1.3 Small Business Subcontracting Plan (Pass/Fail)

#### **Subfactor 1.1: Proof of American Ownership (Pass/Fail)**

The Offeror will submit its Corporate Charter to verify Proof of American Ownership. Offerors (vendors and airports) and any of their subcontractors who are engaged in screening activities must meet the requirements for private screening companies and their employees as set out in the ATSA, 49 U.S.C. 108, Public Law 107-71.

Contractors shall provide the following information to support the above. In addition, TSA may require an offeror to provide additional data if necessary to reach an informed judgment about its qualifications:

- a) The name, address, and telephone number of the offeror.
- b) The form of the offeror's organization.
- c) The State law(s) under which the offeror is organized.
- d) If the applicant is a corporation, a statement provided by the Office of Secretary of State, or other agent of the State in which the offeror is incorporated, certifying that the applicant corporation is in good standing.
- e) A sworn affidavit stating that the offeror is a citizen of the United States.
- f) A list of the offerors subsidiaries, if any, including a description of each subsidiary's principal business and relationship to the applicant, and a list of the applicant's shares of stock in, or control of said subsidiary.
- g) Show all companies of which offeror is a subsidiary and whether or not those companies are themselves subsidiaries of a parent corporation. For each company in the corporate chain, state whether or not it and the parent corporation is organized under the laws of the United States.

The requirement of U.S. citizen ownership and control is a continuing one and all offerors and the resultant contractor must report all substantial changes in operations, ownership or management that affect ownership and control. Substantial interest means beneficial control of 10 percent or more of the outstanding voting stock. Substantial change in operations, ownership, or management includes, but is not limited to, the

following events:

- (1) The filing of a petition for reorganization or a plan of reorganization under Chapter 11 of the federal bankruptcy laws;
- (2) The acquisition by a new shareholder or the accumulation by an existing shareholder of beneficial control of 10 percent or more of the outstanding voting stock in the corporation; and
- (3) A change in the president, chief executive officer or chief operating officer, and/or a change in at least half of the other key personnel within any 12-month period or since its latest fitness review, whichever is the more recent period.

**Subfactor 1.2: Accounting System (Pass/Fail) (*Cost type contracts only*)**

The offeror must have an adequate accounting system for accumulating and billing costs under this contract. The offeror may demonstrate the adequacy of its accounting system by providing a letter from its cognizant contracting officer which states the accounting system is approved or by providing a copy of the report generated during the audit of the accounting system. If the offeror does not have a copy of the audit report, the offeror must identify the agency that performed the review and the audit report number and date issued. If the offeror is unable to demonstrate the adequacy of its accounting system by letter from the cognizant contracting officer or proof of audit, TSA will request the Defense Contract Audit Agency (DCAA) perform a review of the accounting system.

**Subfactor 1.3: Small Business Subcontract Plan (Pass/Fail)**

The Offeror shall submit an Individual Small Business Subcontracting Plan for the proposed effort in accordance with the format prescribed in Section J.14. All proposed subcontracting plans shall contain the following goals at a minimum: 40% for small businesses, of which 14.5% is for small disadvantaged businesses, 5% for women-owned small businesses, 3% for HUBZone small businesses, and 3% for service-disabled veteran-owned small businesses. These percentages shall be expressed as percentages of the total available subcontracting dollars.

**FACTOR 2.0 - TECHNICAL APPROACH**

The Offeror shall submit a Technical Approach that includes: Pre-Transition and Transition Plan, Staffing Plan, Hiring Plan, and Training Plan. The Offeror shall address the following:

**1. PRE-TRANSITION and TRANSITION PLAN**

The Offeror shall discuss the process and methodologies to achieving all Pre-Transition and Transition tasks necessary to successfully transition the passenger and baggage screening services from a Federal to private workforce. The discussion should address on-boarding and training activities in sufficient detail to demonstrate a clear

understanding of 1) how the Offeror will meet recruiting, assessment, credentialing, and training requirements and 2) airport specific considerations and constraints. In addition, the Offeror shall provide a Pre-Transition and Transition schedule in Microsoft Project (hard copy and CD) that identifies all necessary tasks and activities to a Level 4 WBS (Work Breakdown Structure). The schedule shall depict task start and finish dates, task relationships, and task durations. This plan shall encompass all tasks and activities prior to full operational capability (FOC).

## 2. STAFFING PLAN

The Offeror shall provide a staffing plan to include 1) a narrative description that justifies the overall approach to staffing screening operations for non-screener and screener Full Time Equivalents (FTEs), and 2) a completed Annual Staffing Plan –FTE Table (template provided below). An FTE is defined in Section B.8. The Offeror shall provide appropriate supporting rationale for all proposed full time, part time, and overtime hours. Cost information shall not be provided. Staffing information is provided in Section L.12.

Annual Staffing Plan - FTE Table					
Screener Workforce	Direct Labor Hrs	Leave and Holiday Hrs	Total Hrs	FTE (Total Hrs/2080)	Overtime Hrs
Screening Supervisor					
Lead Screener					
Screener					
<b>Total Screener</b>					
<b>Non-Screener Workforce</b>					
Program Manager					
TBD					
TBD					
TBD					
<b>Total Non-screener</b>					
<b>Total Screener and Non-screener</b>					

## 3. HIRING PLAN

The Offeror shall discuss and submit a Hiring Plan that adheres to the template provided in Section J.4 of this RFP. Staffing guidelines are provided in the passenger and baggage Standard Operating Procedures (SOPs) Historical staffing levels are provided in the Site Survey at Section L.12: Airport Specific Information. **COST DATA SHALL NOT BE PROVIDED IN THE HIRING PLAN.**

#### 4. TRAINING PLAN

The Offeror shall discuss and submit a Training Plan that follows TSA training requirements for screeners for the duration of the contract. The Offeror is required to perform Training as presented in section C.5 of this RFP.

### **FACTOR 3.0 –MANAGEMENT APPROACH**

#### 1. MANAGEMENT STRUCTURE

The Offeror shall provide an organizational chart defining management responsibilities. The Offeror shall submit a management concept that appropriately outlines the company's overall approach to management, responsiveness, resource management, and resource replenishment. As a part of the management concept the Offeror shall provide resumes for those individuals identified as Key Personnel on the RFP that have the appropriate capabilities, knowledge and experience required by the tasks as outlined in the Statement of Work. The Offeror's Key Personnel shall only include non-screener personnel. If proposed Key Personnel are not currently employed by the Offeror, the Offeror shall include a signed commitment letter from each key employee.

#### 2. QUALITY CONTROL PLAN

The Offeror shall submit a Quality Control Plan (QCP) that details the processes and methodologies that will be employed to comply with the Acceptable Quality Levels (AQLs) identified in the Quality Assurance and Surveillance Plan (QASP) located in Section C.8 (available on the TSA WebBoard at <https://webboards.tsa.dot.gov>). The QCP shall discuss the following:

- 1 Risk Management Process which addresses trends, mitigation strategies, and evaluates recommendations.
- 2 Quality Assurance approach which provides a summary of procedures to ensure quality performance in meeting or exceeding the performance standards for each performance measure listed in the QASP section of Section C.8 of this solicitation.

#### 3. TEAMING ARRANGEMENT APPROACH (AS APPLICABLE)

The Offeror shall provide the following information for any Teaming Arrangements/Subcontracting:

- 1 Identification of teaming partner(s)/subcontractor(s)
- 2 Roles and Responsibilities of each teaming partner/subcontractor
- 3 Provide ATSA Compliance Documentation for teaming partner/Subcontractor(s).  
The prime contractor shall ensure that the following information is provided for each Teaming Partner or Sub-Contractor as required:
  - a) Proof that the teaming partner meets ATSA requirements, particularly that they are owned and controlled by citizens of the United States if any work it is to perform is connected with or related to the screening function.

- b) If the subcontractor will not be involved in any activity connected with or related to the screening function, the prime contractor and the subcontractor must certify this in writing.
- c) If the activity of the subcontractor is related to or connected with the screening function, the subcontractor must submit the supporting evidence and financial documentation that contractors were required to submit to TSA
- d) Each subcontractor must be vetted by TSA before any subcontracting relationship can be approved. Under clause H.9, subcontractor personnel must be United States citizens to have access to or assist in the development, operation, management or maintenance of Government IT systems. If the contract work does not involve IT systems, contractor/subcontractor personnel must be legal permanent residents or resident aliens lawfully admitted for permanent residence. For all personnel who are not United States citizens as defined in clause H.9, who are employed directly as an employee, an independent consultant to the prime contractor, or employed as subcontractor personnel, the contractor shall provide the name of the person, the country of citizenship and a description of the work the person will perform under this task order.
- e) Only the prime's certification is required unless the certification contains information that is proprietary to the subcontractor.

#### **FACTOR 4.0 – SCENARIO RESPONSE**

Offerors must respond to a technical scenario. Factor 4.0 has two subfactors, 4.1 Written Scenario that is a required part of the proposal submission and 4.2 Oral Presentation Scenario that will be required at the discretion of the Government. If applicable, the Offerors that are within the competitive range will be notified 7 business days prior to the Oral Presentation Scenario. Further instructions for the oral scenario are below. Each scenario response (either written or oral) shall at a minimum discuss the following:

- 1. Identification of the key issues pertaining to the screening functions presented in the scenario;
- 2. A description of the proper actions that may be taken by screening personnel and screening supervisors for each issue identified in item (1);
- 3. Explanation of the screening process for each member of the party, including property;
- 4. Description of any notification actions that may be required.

##### **Subfactor 4.1 - Written Response**

Offerors must respond to the technical scenario presented below:

***(INSERT AIRPORT SPECIFIC SCENARIO)***

##### **Subfactor 4.2 - Oral Presentation Response**

Offerors that have proposals that meet the minimum ratings as stated in M.7 shall be

required to orally present their response to a two part airport specific Scenario as a part of their Technical Proposal for Evaluation. The Government reserves the right to not require or not evaluate Factor 4.2 Oral Presentation Response.

### 1) ORAL PRESENTATION INSTRUCTIONS

Each Offeror will be given the first part of a realistic scenario, twenty-four (24) hours prior to the scheduled presentation. The scenario will be based on real operational situations that may be encountered while supporting this effort. After presenting the response to the first part of the scenario, the Offeror will be provided with a second part of the scenario, prepare a response, and continue the oral presentation presenting the response to the second part of the scenario.

### 2) SCHEDULING/LOCATION/TIME/SET-UP OF ORAL PRESENTATION

Oral presentations will be conducted at an airport facility no sooner than two (2), but not later than three (3) weeks from receipt of proposals. The order in which Offerors will make their presentation will be determined by a lottery drawing conducted by the Contracting Officer. The Government will advise Offerors of the date, time and location for their oral presentations seven (7) business days prior to presentations. The Offeror will not be given an opportunity to reschedule. The Government reserves the right to reschedule oral presentations at the sole discretion of the Contracting Officer; however, the Government will only reschedule as a result of significant events. The Government reserves the right to not require oral presentations.

#### Agenda for Oral Presentations

Minutes*	Action
10 est.	Introductions by Government and Contractor and Establishment of Ground Rules
<b>30</b>	Offeror Presents Response to the Scenario, Part 1
<b>20</b>	Offeror is Provided Scenario Part 2 and Prepares a Response
<b>20</b>	Offeror Presents Response to Scenario Part 2
30 est.	Offeror responds to Clarification Requests for Factor 4, if any

*\* Bolded times are fixed. Non-bolded times are estimates. A 3-hour block of time will be scheduled to allow for technicalities or other unforeseeable changes. However, times allotted for fixed sessions will be strictly adhered to.*

The Government will provide all necessary presentation equipment (i.e. laptop, projector, screen, white boards).

### 3) VIDEOTAPING THE PRESENTATION

The Government will be responsible for videotaping every Offeror's oral presentation. The oral presentation audience will be comprised of Government source selection

participants to include the Contracting Officer and the technical evaluation board. The videotapes produced by the Government will become an official part of the source selection process, and will be handled as source selection sensitive information. Offerors are prohibited from taping or recording their own presentation; however, upon request and payment by the Offeror for the cost of the copy of the video, Offerors will be provided with a copy of their own presentation for review and retention.

#### 4) OFFEROR'S PRESENTATION TEAM

Offerors shall provide no more than four (4) individuals to attend the oral presentation, one (1) of which is the Project Manager, designated as key personnel, who shall present the Offeror's oral presentation. The Offeror's team shall be based on the individuals proposed to perform under the contract. Individuals not currently employed by the prime or the subcontractor may participate so long as they are proposed key personnel. Offerors will not be permitted outside communications via cell phones, telephone, audible pagers, etc., at any point within the oral presentation time period.

#### 5) CLARIFICATION OF ORAL PRESENTATION POINTS

The Government representatives may ask the Offeror to elaborate on statements, and the Offerors may be given the opportunity to clarify certain minor or clerical errors as noted during the presentation. The oral presentation and question and answer clarification session will not constitute discussions, as the Government reserves the right to award without discussions. Upon completion of the presentation, the Government will caucus to discuss the Offeror's presentation and to formulate questions regarding the oral presentation itself or any of the supplemental written material. These questions will be asked verbally after the Government caucus, and the Offeror will be required to answer the questions orally. Statements made by the Offeror during the oral presentation or the clarification session will not become part of any resultant contract. Offerors will not be provided a second attempt to make their oral presentations or allowed to supplement the presentation and will not be allowed to modify or change other parts of their proposal in the oral presentation.

#### 6) RATING THE PRESENTATION

Factor 4.0 will be evaluated in accordance with Section M. Offerors will not be informed of any key strengths/strengths, key weaknesses/weaknesses during this meeting.

### **FACTOR 5.0- PAST PERFORMANCE**

The Offeror shall provide the following:

1. A reference list of contracts awarded to the Offeror within the last five (5) years which were/are similar in scope and complexity to this proposed effort
  - This list shall be limited to no more than three (3) references for the prime and no more than three (3) references for each major subcontractor. ***(For purposes of this competition, all subcontract proposals valued at \$500,00***

***(for Category X and I airports) and \$100,000 (for Category II, III, and IV airports) shall be considered major subcontractors.)***

- For each reference the Offeror shall submit two (2) completed Past Performance Questionnaires (displayed below).
    - For the first questionnaire, the Offeror shall complete Part I and send this form to each point of contact (POC) identified in Part I for the completion of Part II. Upon completion of Part II, the POC can submit this form directly to TSA at the email address listed on the form or return the form (with an original signature) to the requestor so that the forms can be incorporated into the Offeror's proposal.
    - For the second questionnaire, the Offeror shall submit a self-evaluation of each of the questions contained in Part II based on his/her perspective so that the Government has both parties' viewpoints.
  - Prior past performance evaluations that were submitted within six months of the release date for this RFP can be resubmitted as long as the required criteria are the same.
2. Additionally the Offeror shall provide a narrative addressing whether the Prime (including any subsidiary or company officers), or subcontractor has been subject to any Federal investigation, appeared on the debarred or suspend list in the last ten (10) years.



**PAST PERFORMANCE QUESTIONNAIRE**

**IN RESPONSE TO SOLICITATION (INSERT SOLICITATION NUMBER)**

**PART I**

*(This section shall be completed by the Offeror that is responding to the RFP identified above and included in the submission of the proposal.)*

Contract Number	Period of Performance of Contract	Total Value of Contract	Description of Contract/Contract Type
How contract relates to TSA's procurement:	Name of Procuring Agency	Name and Address of COR/COTR and/or Contracting Officer (CO)	Phone Numbers and Email Addresses:

**PART II**

*(This section shall be completed by the individual identified above and either (1) emailed to TSA at the address listed in Block 7 of the SF33 or (2) signed and returned to requestor to be incorporated into the Offeror's proposal.*

<b>QUESTION 1:</b> Did the contractor experience any schedule and/or performance problems? If yes, did the contractor rectify the problem in a timely manner?
<b>ANSWER 1:</b>
<b>QUESTION 2:</b> Did the contractor have any difficulties associated with cost control? If so, what was the impact?
<b>ANSWER 2:</b>
<b>QUESTION 3:</b> Did the contractor appear to use personnel with appropriate skills and expertise?
<b>ANSWER 3:</b>
<b>QUESTION 4:</b> Was the contractor cooperative in resolving issues, or in providing innovative solutions that resolved the problems in a timely manner?
<b>ANSWER 4:</b>
<b>QUESTION 5:</b> During the period of performance, did the company experience any financial hardships? If so, how was this issue corrected?
<b>ANSWER 5:</b>
<b>QUESTION 6:</b> If this contract involved any subcontracted work, were there any problems between the prime and the subcontractor? If so, was the problem corrected in a timely manner?
<b>ANSWER 6:</b>
<b>QUESTION 7:</b> During the contract period, did the contractor have any security violations or engage in misconduct or negligent conduct? If so, how cooperative was the contractor in the ensuing investigation and in taking corrective action?
<b>ANSWER 7:</b>
<b>QUESTION 8:</b> How would you rate the overall performance of this contractor and would you be willing to do business with this contractor again? (Explain)
<b>ANSWER 8:</b>

RESPONSE PROVIDED BY: [Signature not required if emailed]

TYPED NAME AND TITLE	SIGNATURE	DATE	PHONE NUMBER
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## **FACTOR 6.0 COST**

### **Subfactor 6.1: Cost Realism (Risk Assessment)**

The offeror shall demonstrate that all proposed costs are realistic, that it understands the requirement, and that the proposed costs are in line with the work effort described in the technical proposal.

Offerors shall submit all cost (including base fee and award fee) information in both hard and soft copy. All proposed costs shall be prepared in Microsoft Excel format, and shall be proposed by individual contract line item number (CLIN) by fiscal year (see Section B of the RFP for CLIN structure). All cost information shall be in a stand-alone volume and shall not be coupled with any other factor or subfactor. The cost volume shall include the following information for both the prime's proposal plus any subcontractor proposals:

Labor Costs: The offeror shall include the base labor rate (unburdened) for all proposed labor categories and all projected rates for all out years by CLIN by fiscal year. Labor shall include rates for: screeners, lead screeners, supervisory screeners, on-site managers, admin labor, etc. Additionally, the offeror shall break out all other related labor costs such as Overtime, Double Time, Differential, and Training. Also, the offeror shall clearly articulate the basis of the labor rates (including escalation), and the rationale used in computing all hours in order for the Government to determine whether proposed amounts are realistic. All proposed hours shall be the same as the hours presented in the offeror's Staffing Plan which is submitted as part of the offeror's technical proposal.

Indirect Rates: The offeror shall break out all proposed indirect rates (unburdened) (fringe, labor overhead, G&A, etc.) by CLIN by fiscal year. The offeror shall clearly identify the cost base in which all indirect rates are applied. The offeror shall include the makeup of each indirect expense pool and its associated percentage of the pool. If the offeror has DCAA approved/recommended rates, the offeror shall submit documentation to that effect. The offeror shall submit historical indirect rates (unburdened) for the last five years. Offeror shall comply with all ATSA requirements relative to pay and compensation.

Other Direct Costs: Offeror shall include a break-out of all other direct costs (including escalation) to include: consumables, travel, assessment cost (if direct), insurance premiums (if direct) leasing, etc. Offeror shall include the logic used in developing the estimates. Travel costs shall be associated with training only.

Insurance: Offeror shall include the estimates for both General Liability Insurance and the Workman's Compensation premiums regardless of whether it is a direct charge or an indirect charge.

Base Fee/Award Fees: Offeror shall clearly break out all base fees and award fees. Base fee for CPAF contracts shall be  $\leq 2\%$ . Base fee for FPAF contracts shall be  $\leq 3\%$ .

## **Subfactor 6.2: Financial Capability (Risk Assessment)**

The offeror shall demonstrate it has adequate financial resources to perform the contract, or the ability to obtain them. TSA will request DCAA perform a financial capability risk assessment unless one has been performed recently.

The offeror shall submit to TSA the following documentation fifteen (15) calendar days prior to the closing date of the solicitation.

- 1 Dun and Bradstreet reports/ratings
- 2 Documentation of an approved accounting system
- 3 Annual audited financial statements for the last 3 to 5 years, plus year-to-date financial information for the last quarter available (i.e. balance sheet, cash flow statement, income statement). If this information is not available, the offeror shall provide all available data including projections for out-year business.
- 4 A current Form 10K (Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934) and Form 10Q (Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934). Filing of both reports are required for publicly traded companies.
- 5 Tax returns for non-publicly traded companies to validate unaudited financial statements
- 6 External credit ratings

## **L.3 PREPROPOSAL CONFERENCE / SITE VISIT**

The pre-proposal conference / site visit will allow potential Offerors to view and tour the airport facility, as well as provide an opportunity for networking among vendors. This conference will take place on (To be determined). Offerors will have three (3) working days after the RFP release to respond via email to the Contracting Officer with intent to attend the pre-proposal conference. Responses must contain the following:

1. The Offeror's list of SSI qualified personnel planning on attending, with names, titles, telephone numbers, and email addresses. Offerors are allowed a maximum of three (3) personnel per company to include cleared personnel.
2. Key areas of interest and any initial questions.

Offerors will coordinate with the Contracting Officer identified in block 7 of the SF33 to schedule all pre-proposal conference activities.

## **L.4 GENERAL INFORMATION**

### **L.4.1 Award Without Communications/Discussions**

The Government intends to evaluate proposals and award the contract either on initial proposals without communications, or on initial or subsequent proposals with clarifications and/or discussions with the Offerors. In evaluating the proposals, the Government may conduct written or oral communications/discussions with any and/or all Offerors. The Government may award on initial proposals without communications; therefore, the Offeror should provide a proposal that contains the Offeror's best terms from a technical and cost standpoint. The Government will consider the technical and cost risks associated with each proposal. Offerors are required to be responsible.

#### **L.4.2 Exceptions and Deviations**

The Government reserves the right to reject any proposal that includes any assumptions, conditions, deviations, or exceptions that impacts or affects the Government's requirements. Additionally, if a disclosed organizational conflict of interest is found to exist that cannot be mitigated, avoided, or waived, the Offeror will be determined ineligible for award.

#### **L.4.3 Expenses Related to Offeror's Proposal**

The Government will not pay bid and proposal costs.

#### **L.4.4 Timeframe for Contract Award**

The Government estimates that contract award will occur on or before **(To be determined)**. Offerors shall ensure cost/pricing information is valid

#### **L.5 QUESTIONS**

All questions shall be submitted electronically to the Contract Specialist/Contracting Officer identified in block 7 of the SF33 no later than three (3) days after the Preproposal Conference/Site Visit. No questions received after that date will be answered unless the Government determines the answer to the question imparts information material to Offeror's ability to respond to the solicitation.

Questions shall be prepared in the following format.

Date: \_\_\_\_\_

From: (Name, Company, and Phone Number of Offeror)

To: Scott P. Bishop, Contracting Officer

Subj: Questions regarding SPP Solicitation # **(To be determined)**

	Offeror's Question	RFP paragraph and page # that relates to Offeror's question:	Offeror's recommended answer or solution (if any)
1.			
2.			
3.			

## **L.6 SERVICE OF PROTEST**

Protests, that are filed directly with an agency, and copies of any protests that are filed with the Federal Aviation Administration Office of Dispute Resolution for Acquisition (ODRA), shall also be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

TSA Headquarters, West Tower, Floor 2  
Attn: Contracting Officer, Scott P. Bishop  
601 South 12<sup>th</sup> Street  
Arlington, VA 22202-4220

## **L.7 USE OF NON-GOVERNMENT PERSONNEL DURING EVALUATIONS**

The Government may use Contractors in advisory roles in the evaluation of the proposals. All contractor personnel will sign non-disclosure agreements and the companies are subject to an Organizational Conflict of Interest Clause. The names and addresses of the firms are listed below:

BearingPoint 1676 International Dr McLean, VA 22102	CNSI 702 King Farm Blvd., 2nd Floor Rockville, MD 20850	Addx Corporation 4900 Seminary Road, Suite 570 Alexandria, VA 22311
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Submission of a proposal in response to this solicitation will be deemed consent for the Government to utilize representatives of the above named companies in support of this competitive procurement.

## **L.8 ALTERNATIVE PROPOSALS NOT ACCEPTABLE – CONDITIONS OF AWARD**

Alternative proposals will not be accepted. The Offeror is limited to the submission of one set of proposals. Duplicate proposals will not be evaluated.

#### **L.9 SENSITIVE SECURITY INFORMATION (SSI)**

All information related to this solicitation designated as SSI will be available on the TSA WebBoard at <https://webboards.tsa.dot.gov>.

#### **L.10 INDIVIDUAL SMALL BUSINESS SUBCONTRACTING PLAN**

Only large businesses shall submit an Individual Small Business Subcontracting Plan attached to their Cost Proposals. (See Section J.14 for details).

## L.11 AIRPORT SPECIFIC INFORMATION

The information provided below was obtained from a site assessment: **AIRPORT** **(Assessment conducted INSERT DATE)**. The information provided below is only to be used as a guideline in the formulation of proposal volumes in response to this solicitation. None of the information included in this table shall be considered an additional contract requirement over or above what is listed as requirements in Sections A – J of this solicitation.



<b>Name:</b>	
<b>Category:</b>	
<b>Airport ID:</b>	
<b>Address:</b>	
<b>Address:</b>	
<b>Visit 1 (Date:</b>	
<b>Airport Authority:</b>	
<b>Jurisdiction:</b>	
<b>Airport Authority POC:</b>	
<b>Law Enforcement:</b>	
<b>Jurisdiction:</b>	

Airport Data	Comments / Notes	
Airport Hours of operation:		
Average growth factor for enplanements		
<b>Airport</b>		<b>Airport</b>
# Terminals:		
# Passenger screening checkpoints:		
# Lanes:		
# Average Lanes per checkpoint:		
# Gates per Terminal:		
# WTMD:		
# ETD:		
# EDS:		
# Wands (HHMD):		
Explosive Trace Portal Screening Systems		
# Baggage Screening Locations:		
# In-Line Baggage:		
Equipment on order:		
Equipment out of service:		

# X-Ray machines:		
Status of IT infrastructure:		
# Commercial (Current) Carriers:		
# Pending Carriers:		
# Charter Carriers:		
Average PAX throughput (per day):		
Average baggage throughput (daily)		
Average wait time:		
Peak phases (during 24 hours):		
Peak seasons:		
# Enplanements (monthly)		
# Departing flights (daily):		
<b>Employee Data/Workforce Inventory</b>	<b>Comments/Notes</b>	
Current Federal Authorized Screener FTE (SAM-Model):		
Current Actual Screener FTE:		
Current Actual Screener Bodies:		
Current Actual Baggage Handler:		
Current Actual Screener & Baggage Handler Bodies (Total):		
Current Actual Baggage Screener Lead (FT no PT)		
Current Actual Checkpoint Screener Lead Bodies (PT):		
Current Actual Checkpoint Screener Lead Bodies (FT):		
Current Total Baggage & Checkpoint Screener Leads Bodies:		
Current Actual Baggage Screener Supervisor (FT no PT)		
Current Actual Checkpoint Screener Supervisor Bodies (PT):		
Current Actual Checkpoint Screener Supervisor Bodies (FT):		
Current Total Baggage & Checkpoint Screener Supervisor Bodies:		
Current Attrition rate per month:		
Current Attrition rate per year:		
Current Involuntary attrition rate (month/year):		
Current Voluntary attrition rate (month/year):		
Current % Overtime of total hours (monthly / annual):		<u>Pay Period</u> <u>Hours (Comp+OT)</u> <u>%OT</u>
Current # Hours overtime (average month / year):		
Current # Shifts (per 24 hours):		
<b>Federal Security Director Staff Representation at Airport</b> <b>(Permanent Government Staff, not to be replaced with Contractors)</b>		



Total # authorized FSD staff (including FSD):		
Total # actual FSD staff (including FSD):		
# Administrative Officer (AO):		
# AFSD Law Enforcement:		
# Assistant FSD (AFSD):		
# Aviation Security Inspector (ASI):		
# Canine Coordinator:		
# CAS Assistant:		
# Compensation Specialist:		
# Contract Officer Technical Representative (COTR):		
# Counsel:		
# Customer Service Manager (CSQIM):		
# Deputy FSD (DFSD):		
# FAA IT Specialist:		
# Financial Specialist:		
# Federal Security Director (FSD):		
# Human Resources Specialist:		
# Industrial Engineer:		
# International Field Office Manager:		
# IT Specialist:		
# Other Administrative Personnel:		
# Paralegal:		
# Procurement Specialist:		
# Public Affairs Specialist:		
# Regional FSD:		
# Scheduling Operations Officer (SOO):		
# Screening Manager:		
# Secretary:		
# Security Assistant:		
# Special Agent (Internal Affairs) Private Office:		
# Stakeholder Liaison:		
# Stakeholder Manager:		
# Ticket checkers (TSA):		
# Trainers:		
# Training Coordinators:		

Procurement Inventory		Comments / Notes
Real Estate (other than those items listed in list TSA holdings):		
Break rooms:		
Training room:		
Screener Supervisor rooms:		

Additional data offered to support the Contractor's scheduling effort:

- 1 SSI information regarding scheduling is available on the TSA WebBoard for this RFP at <https://webboards.tsa.dot.gov>.

Historical data to support Contractor's hiring effort.

The following information on FTEs, Travel Costs, Uniforms, and Consumables is historical data provided to assist Offerors in the preparation of their cost and technical proposals.

**Airport FY2005 Consumable Usage**

The following table lists the total usage for consumables at (**AIRPORT**) from \_\_\_\_\_ through \_\_\_\_\_. This list should be used as a guide to developing costs for consumables. If the Offeror chooses to use an alternative position, the basis of that position must be clearly supported. Proposed costs shall be included in the CLINs. Refer to paragraph C.9.2 for additional information.

ITEM/Description	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	YTD	Monthly Average	90 day

**Additional Compensation and Other Benefits Information.**

Section B provides the minimum loaded rates for screener personnel. The table below supplements that information by providing the **Average loaded rates** for informational purposes only.

<b>Airport</b>	<b>Screener</b>	<b>Lead Screener</b>	<b>Supv. Screener</b>
TSA Avg. Direct Labor Rate	\$ 12.19	\$ 15.77	\$ 18.86
TSA's Locality Pay*			
TSA's DL Rate with Locality Pay			
TSA's Fringe Rate	44.75%	44.75%	44.75%
Average Loaded Rate for XXX			

**\* Rates for locality pay areas by geographic region are available at <http://www.opm.gov/oca/06tables/indexGS.asp>.**

The above data is based on rate information dated July 14, 2005 and does not include the 2006 pay adjustment for the region. On December 22, 2005, the President signed Executive Order 13393 to implement the January 2006 pay adjustments. The Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006 (Public Law 109-115, November 30, 2005), provides an overall average pay increase of 3.95 percent for statutory pay systems, including the General Schedule (GS).

## L.12 GUIDELINE FOR THE DEVELOPMENT OF COMPENSATION AND OTHER BENEFITS

Shown below is a chart that breaks out the various plans that are available to TSA Government Screeners. TSA is of the opinion that requiring a contract screening company to provide the exact same compensation and benefits as the Federal Government restricts the company's flexibility. It would prevent the private screening companies from testing various recruiting and retention incentive programs that might be more effective than the Federal programs. It also would significantly increase the costs of the Screening Partnership Program (SPP), in that the contract screening companies would not have the bargaining size and power of the Federal Government, especially with regard to medical programs. For example, the Federal Government negotiates a choice of medical programs for its employees. Most private companies cannot do this. Finally, Federal or state law establishes some benefit programs. Federal employees, for example, are covered by the Federal workers compensation program that provides a certain level of benefits. Private employees are covered by state programs that vary widely in the level of benefits provided. If the private companies had to duplicate the exact medical or workers compensation programs established by the Federal Government, it would significantly increase their costs.

ATSA provides broad direction requiring that the contract screening companies "...will provide compensation and other benefits to such individuals that are not less than the level of compensation and other benefits provided to such Federal Government personnel." TSA believes the better interpretation is to require the contract screening companies to provide pay and benefits at a loaded cost (direct hour plus percentage cost of fringe benefits) that equal or exceed the loaded cost of the pay and benefits provided by the Federal Government. This ensures that the private companies can recruit and retain quality contract screeners, but gives the private companies the flexibility to trade additional pay against other benefits, or to enhance certain benefits and reduce others. Thus, it enables the private companies to determine and provide the best package necessary for the recruitment and retention of quality screeners. This approach increases flexibility while permitting recruitment and retention of quality screeners. It also recognizes the different bargaining and legal positions of the Federal Government and private screeners. Any other approach would significantly increase the cost of private screening contracts.

TSA BENEFIT	TSA Offered/Not Offered
Retirement Plans    Defined Benefit	Offered CSRS Defined benefit FERS Defined benefit
Thrift Savings (401K) *contributions may not exceed the IRS regulations	Offered* FERS up to 14% Match up to 5% includes agency automatic 1%

----- Age 50 and over Catch up	CSRS up to 9% No Match -----Offered 2004 - \$3,000
Health Insurance Self Only	Offered Govt. pays 72%-75% of employee premiums. -----
-----Dependents	Offered Govt. pays 72%-75% of dependent premiums. -----
----- Effective date of coverage	Coverage starts pay period after employee submits enrollment form. -----
----- Vision Coverage	Offered Included in Health Plan -----
Dental Coverage	Offered Included in some Health Plans and offered as Separate plans.

TSA BENEFIT	TSA Offered/Not Offered
Flexible Spending Accounts	Offered \$4,000 max for health care  \$5,000 max for dependent care
Life Insurance Basic	Offered Term – Annual Salary rounded to next  \$1,000 plus \$2,000 added  Government Pays 1/3 of cost
Optional	Offered 1 to 5 times annual basic pay. Spouse \$25,000 max Child \$12,500 max Employee pays costs
Accidental Death and Dismemberment (AD and D)	Offered Basic/Option A Free to employee  -----
----- Extra Benefit	Offered Doubles amount of insurance for age 35 and younger – Free to employee
Sick/Annual Leave	Offered Annual/Sick

	Up to 3 years 26 days 3-15 years 33 days 15+ years 39 days ----- Maximum carryover Vacation - 240 hours Sick - unlimited
--	--

TSA BENEFIT	TSA Offered/Not Offered
Paid Holidays	Offered (10)
Disability	Not Offered
Short Term	Sick leave used
-----	-----
Long Term	Offered Disability Retirement - 18 months FERS civilian service - 5 years CSRS civilian service
Employee Assistance Plan	Offered Professional assistance to resolve problems due to stress
Long Term Care	Offered Employees/spouses/parents,/in laws/step parents/adult children – various options
College Savings Plan	Not Offered
Tuition Reimbursement	Not Offered Plans to provide in the future

(End of clause)

### L.13 TSA SCREENER PART-TIME EMPLOYEE BENEFITS – FACT SHEET

<b>Part Time Appointment</b>	<b>Health Benefits</b>	<b>Life Insurance</b>	<b>Retirement (CSRS/FERS)</b>	<b>TSP</b>
32-64 hours per pay period (16-32 per week)	Yes, (see below)	Yes	Yes	Yes

<b>Leave Administration Annual/Sick</b>	<b>Family and Medical Leave</b>	<b>Workers Compensation</b>	<b>Social Security</b>
Yes	Yes	Yes	Yes

#### Part-Time Employment

##### Type of Appointment and Prearranged Schedule

To be eligible for federal benefits, a part-time employee must:

Have a temporary or a permanent appointment.

and

Work between 16 and 32 hours each week (or between 32 and 64 hours a pay period) on a prearranged schedule

Part-time employees are eligible, on a prorated basis, for the same benefits as full-time employees: leave, retirement, health, and life insurance coverage.

##### Health Insurance

Part-time employees who participate in the Federal Employees Health Benefits Program receive the same coverage as full-time employees but pay a greater percentage of the premium because the Government's share is prorated based on the number of hours the employee is scheduled to work each week. For example, an employee on a 20-hour-per-week schedule receives one-half the Government contribution towards the premium.

More information on Federal Employees Health Benefits (FEHB):

<http://www.opm.gov/insure/health/index.asp>

##### Annual/Sick Leave/Family and Medical Leave and Holidays

Part-time employees earn annual and sick leave on a prorated basis depending on the number of hours in a pay status per pay period.

##### Annual Leave

An employee with less than 3 years of service earns 1 hour of annual leave for each 20 hours in a pay status; with 3 years but less than 15 years of service, the employee earns 1 hour of annual leave for each 13 hours in a pay status; and with 15 or more years of service earns 1 hour of annual leave for each 10 hours in a pay status.

##### Sick Leave

Part-time employees earn 1 hour of sick leave for each 20 hours in a pay status.

### Family and Medical Leave

Part-time employees are also covered by the rules governing the Family and Medical Leave Act of 1993 and the Federal Employees Family-Friendly Leave Act.

### Holidays

If a holiday falls on a day the employee normally works the employee is paid for the number of hours he or she was scheduled to work, not to exceed 8 hours, except for an employee on a compressed work schedule. A part-time employee is not entitled to a holiday that falls on a day the employee is not normally scheduled to work.

More information on leave: <http://www.opm.gov/oca/leave/HTML/factindx.asp>

### Retirement

Retirement annuities are based on an employee's length of service and the highest annual base pay received for any three consecutive years. Each year of part-time service counts as one full year toward the length of service requirement. However, the annuity calculation for periods of part-time service after April 6, 1986, is prorated to reflect the difference between full-time and part-time service.

More information on retirement: <http://www.opm.gov/retire/index.asp>

### Thrift Savings Plan

If you are a FERS or CSRS employee, you can participate in the TSP, regardless of whether you work full time or part time. The contribution rates are based on the part-time salary.

More information on TSP: [www.tsp.gov](http://www.tsp.gov)

### Life Insurance

A part-time employee is eligible to participate in the Federal Employees Group Life Insurance Program. The amount of insurance for which an employee is eligible is based on the part-time employee's annual salary applicable to his or her scheduled tour of duty. If your scheduled tour of duty is 20 hours, and you work 24 hours, your premium is based on 20 hours of work. Additionally, any benefit received is based on 20 hours of work.

More information on Federal Employees' Group Life Insurance (FEGLI) :

<http://www.opm.gov/insure/life/index.asp>

### Pay

Gross pay is computed by multiplying the employee's hourly rate of basic pay by the number of hours worked during the pay period. Except for certain employees on alternative work schedules (AWS), overtime rates apply only to the hours in excess of 8 hours in a day or 40-hours in a week. Non-overtime hours above those normally scheduled are paid at the basic rate of pay. (For employees on AWS, overtime rates apply only to hours in excess of 80 in the pay period). Please note that part-time employees will not be paid for a holiday that falls on a day that is not part of their regular part-time schedule, unless the holiday is actually worked.

### Social Security

Benefits are based on an employee's earned credits and the amount of earnings. An employee's average earnings over their working years determine the amount of the monthly payment. Each year of part-time service counts as one full year toward the length of service requirement.

#### Workers Compensation

The Federal Employees Compensation Act (FECA) applies to all federal employees regardless of the length of time on the job or the type of position held. Probationary and temporary employees are covered on the same basis as permanent employees.

#### Adverse and Performance-based Actions

Part-time employees have the same rights as full-time employees when disciplinary actions or performance-based actions are taken against them. Adverse and/or performance-based actions include suspensions, removals, furloughs, and reductions in grade. (A reduction in scheduled hours is not subject to adverse action procedures.)

#### Service Credit

A part-time employee earns a full year of service for each calendar year worked (regardless of schedule) for the purpose of computing dates for the following: retirement eligibility; career tenure; and change in leave category.



**L.14      SECTION E ENTITLED “HOLIDAYS” OF THE TSA MANAGEMENT  
DIRECTIVE NO. 1100.61-2: HOURS FOR THE TRANSPORTATION  
SECURITY SCREENER WORKFORCE**

**TSA MANAGEMENT DIRECTIVE No. 1100.61-2 : HOURS OF DUTY FOR THE  
TRANSPORTATION SECURITY SCREENER WORKFORCE**

**E. Holidays**

**(1) Legal Public Holidays**

(a) For purposes of pay and leave, the day to be treated as a holiday is the day designated below, when the holiday falls during the employee's basic workweek or basic work requirement. (*refer to the list of Federal holidays located at [www.opm.gov](http://www.opm.gov)*)

(b) Employees in screener positions may be required to work on a holiday or on the day designated as an “in lieu of holiday” because of operational needs. Employees will receive holiday pay if they are required to work on a holiday or “in lieu of holiday.”

**(2) Holiday Pay (When No Work Is Performed)**

(a) Under an FSWS program (*Flexible Screener Work Schedule*), a full-time employee who is relieved or prevented from working on a day designated as a holiday (or an "in lieu of" holiday) is entitled to his or her rate of basic pay on that day for the number hours designated in a compressed or variable work schedule.

(b) If a holiday falls on a day during a part-time FSWS employee's tour of duty and the employee is relieved or prevented from working on that day, the employee is entitled to his or her rate of basic pay for the typical, average, or scheduled number of hours the employee would have worked for that day (not to exceed 8 hours). If a part-time FSWS employee has maintained a reasonably consistent schedule for several pay periods, the employee may be paid for the number of hours he or she would have worked had the holiday not relieved or prevented the employee from working. The holiday pay may not exceed the number of scheduled hours or the average number of hours worked in prior weeks on days corresponding to the holiday to determine an employee's pay entitlement for that holiday (not to exceed 8 hours).

(c) A work schedule submitted in advance of the administrative workweek also may be used as the basis for determining the number of hours to pay a part-time employee on a holiday. However, management should ensure that there is no abuse of entitlement. For example, an employee should not schedule or be scheduled for more hours of work on a holiday than he or she has worked in prior weeks on days corresponding to the holiday.

**(3) Determining "In Lieu of" Holidays when Holidays Fall on Non-workdays**

(a) For employees whose basic workweek is Monday through Friday, when a holiday falls on a Saturday, the Friday immediately before is a legal holiday for those employees. When the holiday falls on a Sunday, the Monday immediately following is a legal holiday.

(b) For employees whose basic workweek is other than Monday through Friday, when a holiday falls on a regularly scheduled non-workday, the workday immediately before that

regular non-workday is a holiday. Example 1: John's regular days off are Tuesday and Wednesday. If the holiday falls on Tuesday, Monday will be John's in lieu of holiday. Example 2: Jane's regular days off are Wednesday and Thursday. If the holiday falls on Thursday, the preceding Tuesday will serve as John's in lieu of holiday.

(c) For an employee under a flexible screener work schedule, the Assistant Administrator, Federal Security Director, or designee, may select a workday for the holiday that is in the same biweekly pay period as the date of the actual designated holiday.

(d) Part-time employees. Part-time employees are not entitled to an "in lieu of" holiday when a holiday falls on a non-workday for the employee. Example: Mary's basic work requirement includes 9 hours on Monday, Wednesday and Friday. If the holiday falls on Tuesday, Mary is not entitled to an "in lieu of holiday" because she does not work on Tuesdays.

#### (4) Pay for Holiday Work

(a) A full-time employee under an FSWS program who performs non-overtime work on a holiday (or a day designated as the "in lieu of" holiday) is entitled to his or her rate of basic pay plus premium pay equal to his or her rate of basic pay for that holiday work.

(b) Holiday premium pay for employees on flexible screener work schedules is paid for the total number of hours in the employee's regular workday.

(c) An employee will receive holiday pay for the entire tour of duty even if only part of the daily tour of duty is performed on the holiday.

(d) Employees will receive overtime payment for all approved overtime hours worked outside the basic work requirement on a holiday. Example: An employee who works 10 hours on a holiday (including 1 hour of overtime work ordered by a supervisor) and who has a 9-hour basic work requirement on that day would earn holiday premium pay for 9 hours and 1 hour of overtime pay.

(e) A part-time employee under a FSWS program is entitled to holiday premium pay only for work performed during his or her basic work requirement on a holiday. This does not include overtime hours.

(f) A part-time employee, scheduled to work on a day designated as an "in lieu of" holiday for full-time employees, is not entitled to holiday premium pay for work performed on that day.

(g) Employees do not receive holiday premium pay for hours spent in training on a holiday or in lieu of holiday.

## **SECTION M – EVALUATION FACTORS FOR AWARD**

### **Section M Index:**

<b>SECTION CLAUSE NUMBER</b>	<b>TSAAMS CLAUSE NO.</b>	<b>DATE</b>	<b>TITLE</b>
M.1	3.1.1	JAN 2005	CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE
M.2			BASIS FOR AWARD
M.3			EVALUATION FACTORS
M.4			WEIGHT OF FACTORS
M.5			CRITERIA FOR EVALUATING FACTOR 1.0, COMPLIANCE
M.6			CRITERIA AND ADJECTIVAL RATINGS FOR FACTORS 2.0 AND 3.0
M.7			CRITERIA AND ADJECTIVAL RATINGS FOR FACTOR 4.0, SCREENING SCENARIO RESPONSE
M.8			CRITERIA AND ADJECTIVAL RATINGS FOR FACTOR 5.0, PAST PERFORMANCE
M.9			EVALUATION CRITERIA FOR FACTOR 6.0, COST

#### **M.1 CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE (TSA 3.1.1) (FEB 2003)**

This RFI/RFP or contract, as applicable, incorporates by reference one or more provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offerors and contractors may obtain the full text via Internet at:

[http://www.tsa.gov/join/business/business\\_tsaams.shtm](http://www.tsa.gov/join/business/business_tsaams.shtm)

**For the purposes of soliciting comments on the draft RFP, the full text of all clauses incorporated by reference will be provided.**

<b>CPAF</b>	<b>FPAF</b>	<b>TSAAMS CLAUSE NUMBER</b>	<b>DATE</b>	<b>TITLE</b>
✓	✓	3.2.4.30	APR 1996	EVALUATION OF OPTIONS EXERCISED AT TIME OF CONTRACT AWARD
✓	✓	3.2.4.31	APR 1996	EVALUATION OF OPTIONS

## **M.2 BASIS OF AWARD**

- (a) The Government intends to award a single contract to the responsible Offeror whose proposal conforms to this Request for Proposals (RFP), will be most advantageous to the Government, price and other factors considered such that it provides the “best value” to the Government. “Best value” is defined as the procurement process that results in the most advantageous acquisition decision for the Government and is performed through an integrated assessment and trade-off analysis between cost/price and non-cost/price factors. The Source Selection Official (SSO) may reasonably determine that the superior solution/approach merits a higher price, and therefore, represents the best value to the Government. The Government may select for award the Offeror whose price is not necessarily the lowest, but whose technical proposal is more advantageous to the Government and warrants the additional cost or accept other than the Offeror with the highest rating in non Cost/Price factors.
- (b) The Government intends to award one (1) contract as a result of this solicitation. Multiple awards will not be made. The Government reserves the right to reject any or all offers if such action is in the public interest. The Government may waive informalities and minor irregularities in offers received. The Government reserves the right to award without discussions. Offerors are cautioned that they must submit best terms from a technical and cost standpoint.
- (c) While the Government source selection evaluation team and the SSO will strive for maximum objectivity, the source selection process, by its nature, is subjective and, therefore professional judgment is implicit throughout the entire process.
- (d) Offerors are required to meet all solicitation requirements including instructions, conditions and notices, representations and certifications, provisions and other requirements. Proposals that fail to address the essential requirements of the solicitation or are unrealistic, vague or incomprehensible in terms of technical content, schedule commitment or cost/price will be deemed to have an inherent lack of technical competence or to be indicative of a failure to comprehend the requirements, or the complexity and risks of the contract requirements. The Government may reject any proposal that is so lacking in technical competence or in understanding the requirements that, without a major rewrite of the proposal, it is not adequate for evaluation purposes and/or does not have a reasonable chance of award.
- (e) The SSO, using sound business judgment, will base the award of this contract upon a review and on an integrated assessment of the Offeror’s response against the Government’s evaluation factors contained in this Section. The government may make one award based upon an integrated assessment of the following evaluation factors and sub factors listed in M.2.

### M.3 EVALUATION FACTORS

The evaluation will be based on an integrated assessment of the Offeror's proposal for the following factors and sub factors:

Factor	Subfactor	Criterion	Type of Review
1.0		COMPLIANCE	
	1.1	PROOF OF AMERICAN OWNERSHIP (PASS/FAIL)	Pass/Fail
	1.2	ACCOUNTING SYSTEM (PASS/FAIL) ( <b><i>COST TYPE CONTRACTS ONLY</i></b> )	Pass/Fail
	1.3	SMALL BUSINESS SUBCONTRACTING PLAN (PASS/FAIL)	Pass/Fail
2.0		TECHNICAL APPROACH	Adjectively Rated
3.0		MANAGEMENT STRUCTURE	Adjectively Rated
4.0		SCENARIO RESPONSE	
	4.1	WRITTEN RESPONSE (MANDATORY)	Adjectively Rated
	4.2	ORAL RESPONSE (OPTIONAL)	Adjectively Rated
5.0		PAST PERFORMANCE	Adjectively Rated
6.0		COST/PRICE & FINANCIAL CAPABILITY REVIEW	
	6.1	COST REALISM ANALYSIS (RISK ASSESSMENT)	Evaluated but not Rated
	6.2	FINANCIAL CAPABILITY (RISK ASSESSMENT)	Evaluated but not Rated

### M.4 WEIGHT OF FACTORS

The weights of the factors are described as follows:

#### Non-Price Factors:

Factor 1.0 is rated as pass/fail. (Factor 1.0 Compliance)

Factors 2.0, 3.0, 4.0 and 5.0 are rated adjectively. (Factors: 2.0 Technical Approach, 3.0 Management Approach, 4.0 Scenario Response, and 5.0 Past Performance)

The relationship of the evaluation factors are described as follows:

- 1 Factor 1.0 must be rated "pass" to be considered responsive.
- 2 Factor 2.0 is significantly more important than Factors 3.0 through 5.0. Offerors must have a minimum adjectival rating of "Acceptable" on Factor 2.0 to be further considered for award.
- 3 Factor 3.0 is more important than Factor 4.0. Factor 4.0 is more important than Factor 5.0. Factors 3.0 through 5.0 are in equal descending order of importance, with Factor 5 being the least important factor.

- 4 Factor 6.0 is evaluated but not rated. However, this factor is an important part of the integrated selection decision and is included in the overall best value decision.

#### Cost / Price Factor:

While Factor 6.0 (Cost/Price) is an important part of the integrated selection decision, the non-price factors listed above, individually and collectively, are more important than Factor 6.0. Factor 6.0 is evaluated but not rated. However, this factor is a major part of the overall best value decision. Offerors are advised that cost/price factor will become increasingly more important as proposal evaluation ratings for the non-price factors approach equal.

**Notwithstanding the above weighting of factors, Offerors are cautioned that if Factor 2.0 is rated as “Marginal” or “Unacceptable,” the proposal will be considered non-responsive. If any other Factor is rated as “Unacceptable” or Factor 1.0 is rated as “fail,” the proposal will be considered non-responsive. If any of the above conditions are met, the proposal will be considered non-responsive.**

**Furthermore, any Offeror that is ineligible to participate in oral presentations under Factor 4.0 because the minimum ratings have not been achieved as described in M.4 [or the Offeror does not appear at the scheduled time to participate in oral presentations] their proposal will be rejected.**

## **M.5 CRITERIA FOR EVALUATING FACTOR 1.0, COMPLIANCE**

### **Subfactor 1.1 – Proof of American Ownership (Pass/Fail)**

There are a variety of ways in which an offeror can certify that their business enterprise is American-owned and controlled. Factors that have a bearing on this include:

- 1 Control via Super-Majority or Disproportionate Voting Rights – minority foreign owners may not have disproportionate influence with their voting members
- 2 Negative Control/Power to Veto – minority foreign owners cannot possess veto rights over majority corporate decisions
- 3 Buy-Out Clauses – a foreign entity may not be entitled to exercise buy-out clauses that, if exercised, would jeopardize the contractor’s financial or operational ability to continue in business
- 4 Equity Ownership – the maximum total foreign-equity ownership of a contractor typically permitted by TSA may be up to 49%
- 5 Significant Contracts – contracts with foreign entities may not be used to control the contractor
- 6 Credit Agreement/Debt – debt-instrument clauses or bankruptcy agreements cannot allow a foreign entity to control the contractor.
- 7 Family Relationships/Business Relationships – a foreign citizen may not exert control over a contractor through a U.S. citizen family member or business associate.

### **Subfactor 1.2: Accounting System (Pass/Fail) (*Cost type contracts only*)**

TSA will forward all documentation as submitted by the offeror (as required by Section L) to DCAA who will conduct a Preaward Survey of Prospective Contractor Accounting System (DCAA Activity Code 17740, version 5.2, dated January 2006). The major objective of the Preaward Survey is to obtain an understanding of the offeror's accounting system to appropriately complete the SF 1408, and to opine as to whether the design of the offeror's system is acceptable for the award of this contract. As part of the Preaward Survey, DCAA will review the following:

- 1 Generally Accepted Accounting Principles. Through observation or discussion, verify that the contractor's accounting system is in accordance with GAAP. Determine if the contractor has or intends to have an accrual basis accounting system.
- 2 Proper Segregation of Costs. Verify that controls exist to preclude direct charging of indirect expense and indirect charging of direct contract costs.
- 3 Direct Costs by Contract. Verify that the contract has either a subsidiary job costs ledger or account receivable ledger which accumulates costs by contract at a level of detail consistent with that used by the prospective contractor in its proposal.
- 4 Allocation of indirect costs. Verify that the indirect costs are accumulated in logical groupings and determine that the groupings are allocated based on benefits accrued to intermediate and final cost objectives. Is the cost accounting system formally documented, with a written description of the contents of bases and pools?
- 5 Accumulation of costs under general ledger control. Verify that the contractor's job cost ledger and other books of account are reconcilable and currently posted to the general ledger control accounts.
- 6 Timekeeping system. Verify that labor is charged to intermediate and final cost objectives based on a timekeeping document (paper or electronic timecards) completed and certified by the employees and approved by the employees' supervisors.
- 7 Labor distribution. Verify that labor cost distribution records are reconcilable to payroll records and that labor distribution records trace to and from the cost accumulation records in labor subsidiary or general ledger accounts.
- 8 Interim determination of costs. Determine that the contractor posts contract costs at least monthly to books of account.
- 9 Exclusion of Unallowables. Evaluate the contractor's plan to identify and exclude unallowable cost if the contract is awarded.
- 10 Costs by Contract Line Item. Can the system be expanded to the requisite level of detail, and does the contractor have procedures to determine what this level might be?
- 11 Preproduction Costs (Applies primarily to manufacturing contracts): Are these costs routinely segregated to assist in repricing or follow-on contract pricing?
- 12 Limitation of Costs: Can the interim indirect expense rates be readily calculated from the books of accounts, and are the interim rates routinely monitored? Who is responsible for monitoring total contract expenditure against contract limitations on price or cost, and how frequently is this reviewed? Are controls in place to ensure compliance with the reporting requirements of FAR 52.216-16 or FAR 52.232-20, -

21 and -22? (All FAR references included – as a guide only.)

- 13 Billings (e.g. progress payments, public vouchers): Does the contractor have controls or procedures that would provide that interim billings of direct cost are prepared directly from the books and records, excluding unallowable costs. Does the contractor have procedures to ensure that subcontractor and vendor costs are only included in billings if payment to the subcontractor or vendor will be made in accordance with the terms and conditions of the subcontract or invoice and ordinarily within 30 days of the contractor's payment request to the Government? Can billings be reconciled to the cost accounts for both current and cumulative amounts claimed?
- 14 Adequate, Reliable Data: Is the contractor's system capable of producing cost information at a sufficient level of detail for use in pricing follow-on contracts.
- 15 Accounting System in Operation. Is the accounting system in full operation? If not, which portions are in operation and what is the status of implementing the full accounting system?

The Preaward Survey will be a pass/fail assessment. Proposals from those offerors that fail this survey will not be evaluated and they will not be considered for award.

#### **Subfactor 1.3 - Small Business Subcontracting Plan (Pass/Fail)**

The government will examine the Offeror's Small Business Subcontracting Plan to determine whether the Offeror's proposed solution complies with TSA's Small Business Subcontracting goals. Offerors failing to meet the minimum subcontracting goals will be deemed non-responsive. This is a Pass/Fail criterion.

#### **Ratings:**

Subfactors 1.1 (Proof of American Ownership), 1.2 (Accounting System) (*Cost type contracts only*), and 1.3 (Small Business Subcontracting Plan) will be evaluated on a pass/fail basis as defined below:

- 1 **PASS**: Offeror's response satisfies all the requirements of the subfactor.
- 2 **FAIL**: Offeror's response does not meet all the requirements of the subfactor.

#### **M.6 CRITERIA AND ADJECTIVAL RATINGS FOR FACTORS 2.0 and 3.0**

Factors 2.0 (Technical Approach) and 3.0 (Management Approach) will be evaluated based on the Offeror's (1) understanding and (2) approach to developing and implementing these factors. Understanding and Approach are defined as follows:

*Understanding*: The degree to which the Offeror demonstrates clear understanding, knowledge and experience in performance of the technical requirements of the Statement of Work (SOW). Understanding includes the ability of the Offeror to identify potential problem areas and propose technical and management solutions that successfully fulfill the unique goals and mission of TSA and the SPP.



*Approach:* The degree to which the Offeror's technical and management capabilities satisfy all the requirements in the SOW that are valid and achievable. The degree to which the Offeror's approach is logical, feasible and technically effective. Unique concepts, features and other approaches offered in a proposal will be considered in terms of the degree to which risks are identified and minimized and potential benefits to the Government are identified.

**Ratings:**

Factors 2.0 and 3.0 will be rated using the adjectival ratings of Outstanding, Good, Acceptable and Unacceptable as defined below.

- 1 **OUTSTANDING:** Offeror's response provides a superior level of performance and the approach is unique and poses a very low risk to the Government. The response contains key strengths, exceptional and /or unique features, or innovations that substantially benefit the program. The Offeror's response contains no Weaknesses or Key Weaknesses.
- 2 **GOOD:** Offeror's response provides a high level of performance and the approach poses a low risk to the Government. The response has key strength(s) and/or strength(s), which indicate the proposed approach will benefit the program and weaknesses are not likely to jeopardize performance.–The Offeror's response contains no Key Weaknesses.
- 3 **ACCEPTABLE:** Offeror's response provides a satisfactory level of performance and the approach poses a low to moderate risk to the Government. There are no unique or exceptional features in the proposal; however, the proposal meets the minimum requirements of the RFP. Weaknesses do not jeopardize performance by creating unacceptable performance risks.
- 4 **UNACCEPTABLE:** Offeror's response provides a level of performance that is likely to be unsuccessful and the approach poses an unacceptably high risk to the Government. The information presented is vague, incomplete and/or unrealistic and therefore does not meet the requirements of the RFP or it cannot be determined if requirements are met. Weaknesses are fatal to the procurement and cannot be overcome without a substantial rewrite or significant modification of the proposal.

## **M.7 CRITERIA AND ADJECTIVAL RATINGS FOR FACTOR 4.0, SCREENING SCENARIO RESPONSE**

Responses to the screening scenario, *during the oral presentation*, will be evaluated based upon the Offeror's demonstrated understanding of the issues involved in the scenario; the resolution's compliance with TSA guidelines including a complete understanding of all management requirements on the contract and managerial insight into issues, challenges and airport specific constraints and how to overcome them while minimizing risk to airport security; as well as the amount of risk the resolution would introduce to security, and the anticipated effect the Offeror's proposed resolution would have on its ability to maintain customer service standards.

Responses will be rated adjectively according to the following scale:

- 5 **OUTSTANDING:** Offeror's response provides a superior/unique understanding of the key issues involved; addresses proper notifications; and recommends appropriate action. The response creates no security risk, and provides superior customer service standards.
- 6 **GOOD:** Offeror's response provides an understanding of the key issues involved; addresses proper notifications; and recommends appropriate action. The response creates no security risk, and provides good customer service standards.
- 7 **ACCEPTABLE:** Offeror's response provides an understanding of most of the key issues involved; addresses proper notifications; and recommends appropriate action, but with minor and low risk deviations or omissions. The response creates a minor security risk and/or provides satisfactory customer service standards.
- 8 **MARGINAL:** Offeror's response provides a minimal understanding of some of the key issues involved; addresses proper notifications; and recommends appropriate action, but with moderate deviations or omissions. The response creates a moderate security risk and/or provides unsatisfactory customer service standards.
- 9 **UNACCEPTABLE:** Offeror's response provides little to no understanding of the issues involved; and/or does not address proper notifications; and/or does not recommend appropriate actions. The response creates a high security risk and/or provides inadequate customer service standards. The proposal fails to address the essential issues and/or is unrealistic, vague or incomprehensible such that it indicates an inherent lack of technical competence or failure to comprehend the issues and/or the complexity and risks of the screening function.

## **M.8 CRITERIA AND ADJECTIVAL RATINGS FOR FACTOR 5.0, PAST PERFORMANCE**

Evaluation of past performance will be performed through an analysis of the potential risk associated with offerors' past performance history. An offeror's past performance history

is a significant indicator of success or failure on future work. Substantiated negative past performance are represent a high risk to the Government of unsatisfactory on future awards. Conversely, past successes are a measure of the low risk on future work. With that, past performance will be evaluated using the following adjectival scale:

<b>Amount of Risk</b>	<b>Definition</b>
<b>High Performance Risk</b> <b>(Red)</b>	Based on the Offeror's performance record, substantial doubt exists that the Offeror will successfully perform the required effort.
<b>Moderate Performance Risk</b> <b>(Yellow)</b>	Based on the Offeror's performance record, some doubt exists that the Offeror will successfully perform the required effort.
<b>Low Performance Risk</b> <b>(Green)</b>	Based on the Offeror's performance record, little doubt exists that the Offeror will successfully perform the required effort.
<b>Neutral Performance Risk</b> <b>(White)</b>	The Offeror lacks past performance information to report. The Offeror will be rated neither favorably or unfavorably.

The past performance information submitted by offerors must be recent and relevant to the work effort contained in this solicitation.

In evaluating past performance, TSA reserves the right to verify the information requested or to seek alternative legitimate sources of past performance information to clarify represented success if needed. Offerors without past performance information to provide shall be rated neither favorably nor unfavorably.

## **M.9 EVALUATION CRITERIA FOR FACTOR 6.0, COST**

Cost will be evaluated but will NOT be adjectively rated. Additionally, TSA will **NOT** evaluate cost proposals of any Offeror whose technical proposal has been determined to be unacceptable in any rated non-cost factor/subfactor or whose proposal has earned a "fail" rating on any pass/fail factor/subfactor.

### **Subfactor 6.1: Cost Realism (Risk Assessment)**

All proposed costs (base cost plus all option costs) will be evaluated via a cost realism analysis to determine the probable cost of performance for each offeror. This analysis is the process by which the Government will independently review and evaluate specific elements of each offeror's proposed cost estimate to determine whether the estimated proposed cost elements are: realistic for the work to be performed; reflect a clear understanding of contract requirements; and, are consistent with the unique methods of

performance and materials described in the offeror's technical proposal. The Government's probable cost may differ from the proposed cost. The probable cost will be determined by adjusting each offeror's proposed cost, and fee when appropriate, to reflect any additions or reductions in cost elements to realistic levels based on the results of the cost realism analysis.

The cost realism analysis will include, but is not limited to, the evaluation of the following elements:

- All proposed direct labor hours will be reviewed to ensure that hours are consistent with the offeror's proposed approach, and are reasonable based on RFP requirements.
- Ensure that Screener (inclusive of leads and supervisors) direct labor rates and fringe rates are compliant with ATSA.
- All other direct labor rates (non-screener hours) are either supported with payroll actuals and/or compliant with Service Contract Act (Department of Labor Rates) if applicable.
- A comparison of all proposed indirect rates (fringe, labor overhead, G&A, etc) to DCAA recommended rates.
- All other direct costs (e.g. leasing, uniforms, consumables, etc.) are realistic based on proposed rationale.
- Base Fee and Award Fee percentages may be compared to other offeror's rates; however proposed Base Fee shall be  $\leq 3\%$
- Proposed deviations from Offeror's established practices.
- Completeness and accuracy of proposed data.

Offerors that clearly demonstrate that their proposed costs are realistic will represent a low risk to the Government. Conversely, unrealistic proposed costs will represent a high risk to the Government. The evaluated risk will be used in the Government's best value decision.

#### **Subfactor 6.2: Financial Capability (Risk Assessment)**

TSA will forward all documentation submitted by the offeror (as required by Section L) to DCAA who will conduct a Financial Capability Audit. The major objectives of the Financial Capability Audit are to review the offeror's historical financial data and cash flow forecasts to assess: (1) the offeror's current financial condition, (2) the adequacy of the offeror's near term cash flows; and, (3) the offeror's near and long term capability to obtain funds outside the normal course of operations, if required, to continue as an ongoing business concern.

DCAA will use the following methods/indicators to assess risk:

- 1 Ratio Analysis: The analysis of key financial ratios, including trends, is important when performing a risk assessment.
- 2 Financial Statement Analysis: Financial statement analysis can provide insight into unfavorable financial trends and other conditions that may result in financial distress. Certain financial statement line items should be evaluated to identify any unfavorable or adverse trends or other conditions.
- 3 Internal Controls: The auditor should obtain an understanding of the contractor's internal control structure relating to financial planning and monitoring.
- 4 Off-Balance Sheet Arrangements and Related Party Transactions: The auditor should review the information provided by the contractor, as well as information contained in the quarterly and annual SEC filings (if a publicly traded company) to determine if the financial statements disclose the maximum liability of off-balance sheet arrangements and related party transactions.
- 5 Other Indicators: The auditor should research any/all additional indicators available to determine the financial soundness of the contractor.

TSA will use the results of DCAA's Financial Capability Audit to assess the risk to the Government of doing business with the offeror.

**Ratings:**

Subfactors 6.1 (Cost Realism) and 6.2 (Financial Capability) will be evaluated based on the amount of risk the offeror's proposal poses to the Government, should it be awarded a contract. The following adjectival scale will be used to evaluate subfactors 6.1 and 6.2:

Amount of Risk	Definition
<b>High Risk (Red)</b>	Proposal evaluation indicates a significant and unacceptable risk to the Government of award to the offeror.
<b>Moderate Risk (Yellow)</b>	Proposal evaluation indicates a moderate, but acceptable risk to the Government of award to the offeror.
<b>Low Risk (Green)</b>	Proposal evaluation indicates little or no risk to the Government of award to the offeror.

[END OF SECTION]